ADAM SMITH

AUTHOR OF AN INQUIRY INTO THE WEALTH OF NATIONS

AND

THOMAS PAINE

AUTHOR OF THE DECLINE AND FALL OF THE ENGLISH SYSTEM OF FINANCE.

A CRITICAL ESSAY

PUBLISHED IN ALL LANGUAGES.

When they reason, they only confirm themselves in error and strengthen their prejudices by the very proofs apparently calculated to destroy them.

GERMANY 1796.

BRITISH MUSEUM

S. A. Joersſon to the Conſtituted Authorities in France.

Lanthenas preface, * Thomas Paine's addreſs to the Councils of Five Hundred and Ancients, and his addreſs to the French Nation prefixed to his pamphlet „on The Decline and Fall of the Engliſh „Syſtem of Finance" diſcloſe an object in view too inhuman not to afflict the man of feeling, and the publication it ſelf is too repugnant to good ſenſe — not to rouſe the voice of the philoſopher.

* The german edition of Paine's Pamphlet contains a preface written by Lanthenas and the two addreſſes above mentioned neither of which have appeared in the engliſh or french editions.

Thomas Paine invites the government of the republic and the french nation to adopt his hatred againſt England and with the aſſiſtance of a party that internally undermines the Britiſh conſtitution to overthrow its government and to deſtroy its political exiſtence while he plants a poignard in the boſom of his native country. Thus the author of Common Senſe proclaims an internecine war and leads back to barbariſm an amiable and enlightened people.

Thomas Paine has inveſted himſelf with the authority of a writer attached to the oppoſition, whoſe ſuperior genius and talents in matters of government and political oeconomy are univerſally acknowledged; but Thomas Paine far from following the outlines of Adam Smith has corrupted the principles they inculcate and prophaned the expreſſions of his oracle by aſſociating them with the temerity of language and inaccuracy of aſſertion which paſſion has inſpired him with.

The cauſe of truth and of humanity forms the title of this eſſay; I preſume therefore to addreſs it

not to a heated people but to thoſe who govern the multitude and whoſe wisdom keeps at a diſtance from the great intereſts of nations the paſſions and imprudences of that multitude. Impaſſive as truth, equally a ſtranger to England as I am to France, and independent of all governments as far as man can be, I preſent to you Legiſlators and Moderators of the French Republic, a ſketch of the theory and experience of Adam Smith. Make the compariſon and judge for yourſelves if it is by Smith that Paine has been inſpired.

Thomas Paine is culpable toward the French nation by the notorious injury he has done to public opinion, that ſupport of the government and credit of the riſing Republic expoſed as it is to the dangers ariſing from hopes formed in the intoxication of ſucceſs. This is that public calamity which menaces ſtates ſuddenly erected before the nation arrives at the level of its internal conſiſtence. The human mind can only draw concluſions from compariſon, and compariſons will be made of your government, conſtitution and domeſtic happineſs with that of

England. The picture of an odious and agitated ſituation traced by a maſterlyhand, would be ſufficient to annihilate the fruits of ſo much blood and ſo many victories. The man of talents ſays Lanthenas who is capable of penetrating into the futurity of events can by a few printed ſheets gain more deciſive victories than thoſe of any General.

Thomas Paine has given me the right and impoſed on me the duty to draw the parallel. My wiſhes which are inceſſant for the progreſs of the ſocial virtues and for the happineſs of human nature muſt be as warm for the prosperity of France as for that of every other nation; and convinced that truth founded on argument cannot give offence to ſenſible men I dread no reproach in calculating, to what extent advantages may be hoped for and in what degree they are in danger of being loſt; in aſſerting, that the virtues of heroes carried to a certain exceſs are as dangerous as the oppoſite vices and, that a republican government is eſſentially moderate and diſintereſted. And finally, in proving that nation only to be wiſe which does not found itſelf mer at the

expence of its enemies by ſeeking to become greater than is conſiſtent with the political ſyſtem of Europe. Cool reaſoning joined to an ardent deſire of convincing by ſome moral or phyſical neceſſity is the character to which I aſpire in the opinion of the Public.

INTRODUCTION.

The want of order that pervades Thomas Paines publication on the finances of England would expoſe me to the ſame fault if I followed him ſtep by ſtep through the ſame labyrinth. The conſtitution, the government, the national ſpirit, the kings perſon, the characters of public men are all mixed with the ſubjects of national wealth, theory of paper money, the depreciation of gold and ſilver, the operations of banks, the principles of the proportion of ſpecie to the extent of commerce, the finances of the ſtate — the whole interlarded with an accumulation of figures without combination or apparent relation and interwoven with ſome mutilated paſſages from Smiths work on the wealth of nations.

I ſhall firſt collect the ſcattered matter in one ſingle point of view and without availing my ſelf of the abundant reſources which the ſagacity of ſo many authors offer to the enquirer after the true ſituation of things ſhall only copy verbatim the author that Paine quotes in his favor.

I ſhall note the quotations from Smith from the 7th. edition of London printed for A. Strahan, 1793. and thoſe from Paine from the edition printed at Paris by Hartley.

CHAPTER I.

ANTILOGY

OF SMITH AND THOMAS PAINE.

1) A political body is an immortal ſubſtance.

Smith B. V. c. 2. p. 263. though empires, like all the other works of men, have all hitherto proved mortal, yet every empire aims at immortality. Every conſtitution therefore, which it is meant ſhould be as permanent as the empire itſelf, ought to be convenient, not in certain circumſtances only, but in all circumſtances; or ought to be ſuited, not to thoſe circumſtances which are tranſitory, occaſional, or accidental, but to thoſe which are neceſſary, and therefore always the ſame.

Paine is then in the wrong to compare a ſtate to human life which has a fixed period beyond which it cannot be prolonged. A political body may alternately grow old and renovate itſelf; The human body never can.

2) The wealth of a State consists not in the quantity of gold and silver.

1) Smith B I. c. 5. p. 43. Every man is rich or poor according to the degree in which he can afford to enjoy the necessaries, conveniences and amusements of human life.

2) Dº. B. V. c. 2. p. 395. A large revenue may at all times be said to consist in the command of a large quantity of the necessaries of life.

3) Dº. B. I. c. 5. p. 44. Labour was the first price, the original purchase-money that was paid for all things. It was not by gold or by silver, but by labour, that all the wealth of the world was originally purchased; and its value, to those who possess it, and who want to exchange it for some new productions, is precisely equal to the quantity of labour, which it can enable them to purchase or command.

4) Dº. B. II. c. 3. p. 23. When we compare the state of a nation at two different periods, and find, that the annual produce of its land and labour is evidently greater at the latter than at the former, that its lands are better cultivated, its manufactures more numerous and more flourishing, and its trade more extensive; we may be assured, that its capital must have increased during the interval between those two periods.

5) Dº. B. IV. c. 2. p. 181. The annual revenue of every society is always precisely equal to

the exchangeable value of the whole annual produce of its induſtry or rather is preciſely the ſame thing with that exchangeable value.

6) Dº. B. IV. c. 1. p. 157. Fleets and armies are maintained not with gold and ſilver, but with conſumable goods. The nation which, from the annual produce of its domeſtic induſtry, from the annual revenue ariſing out of its lands, and labour, and conſumable ſtock, has wherewithal to purchaſe thoſe conſumable goods in diſtant countries, can maintain foreign wars there.

7) Dº. B. IV. c. 5. p. 151. If gold and ſilver ſhould at any time fall ſhort in a country which has wherewithal to purchaſe them, there are more expedients for ſupplying their place, than that of almoſt any other commodity.

Beſides a variety of ſuch paſſages; Paine places wealth in the quantily of ſpecie; this is the baſis of his whole ſyſtem.

3) Gold and Silver are Merchandiſe.

1) Smith B. IV. c. 1. p. 173. Money in common language frequently ſignifies wealth; and this ambiguity of expreſſion has rendered this popular notion ſo familiar to us, that even they, who are convinced of its *abſurdity*, are very apt to forget their own principles — and ſuppoſe, that to multiply thoſe metals, is the great object of national induſtry.

2) Dº B. II. c. 2. p. 440. Money is neither a material to work upon, nor a tool to work with — the revenue of the workman conſiſts, not in the money, but in what can be got for it.

3) Dº. B. IV. c. 1. p. 154. Money neceſſarily runs after goods, but goods do not always or neceſſarily run after money.

4) Dº. B. II. c. 2. p. 433. Money, the great wheel of circulation — makes no part of the revenue of the ſociety — diſtribute to every man the revenue which properly belongs to him, it makes no part of that revenue, (p. 429). The great wheel of circulation is altogether different from the goods which are circulated by means of it.

5) Dº. B. II, c. 3. p. 17. Gold and ſilver are purchaſed every where in the ſame manner. The country which has the price of labour to pay, will never be long without the quantity of thoſe metals which it has occaſion for: and no country will ever long retain a quantity which it has no occaſion for.

6) Dº. B. I. c. 11. p. 291. Labour, it muſt always be remembered, is the real meſure of the value both of ſilver and of all other commodities.

The contrary error runs through the whole of Payne's publication.

4) The value of gold and ſilver has increaſed with this century.

1) Smith B. I. c. 5. p. 47. The diſcovery of the abundant mines of America reduced, in the ſixtenth century, the value of gold and ſilver in Europe to about a third of what it had been before.

2) Dº. B. I. c. 11. p. 300. From 1640 ſilver ſunk in its real value, or would exchange for a ſmaller quantity of labour than before. Corn inſtead of being commonly ſold for about ten ſhill. of our preſent money came to be ſold for about 30 and 40 ſhill. — the increaſe of the ſupply exceeding the demand, the value of that metal ſunk conſiderably (oee. B. IV. 5, p. 268. the money price of corn regulates the money price of labour — thus the mode of the myriagrames of wheat regulates the price of money itſelf in modern France.)

3) Dº. dº. p. 301 et: the value of ſilver appears never to have ſunk lower than it was about 1640. It ſeems to have riſen ſomewhat in the courſe of the preſent century — the average price of middle wheat, during theſe 64 firſt years of the preſent century, comes out to have been about 32 ſhil. — p. 368. the proportion between the real prices of ancient and modern times is as 12 to 6, or as 2: 1.

4) Dº. B. I, 2, 381. The opinion, therefore, that ſilver is continually ſinking in its value, ſeems not to be founded upon any good obſervations, either upon the price of corn, or upon thoſe of other proviſions.

Payne ſays page 12 that with a fixed ſum of money the ſame quantity of merchandiſe is not now to be bought.

5) Paper Money has depreciated neither Gold nor Silver.

Smith B. II. c. 2. p. 491. The increaſe of paper money it has been ſaid, by augmenting the quantity, and conſequently diminiſhing the value of the whole currency, neceſſarily augments the money price of commodities. But as the quantity of gold and ſilver which is taken from the currency, is always equal to the quantity of paper, which is added to it, paper money does not neceſſarily increaſe the quantity of the whole currency. From the beginning of the laſt century to the preſent time, proviſions never were cheaper in Scotland than in 1759 though, from the circulation of ten and five ſhil: bank notes, there was then more paper money in the country than at preſent. The proportion between the price of proviſions in Scotland and that in England is the ſame now as before the great multiplication of banking companies in Scotland. Corn is, upon

moſt occaſions, fully as cheap in England as in France; though there is a great deal of paper money in England, and ſcarce any in France. In 1751 and 1752 ſoon after the great multiplication of paper money in Scotland, there was a very ſenſible riſe in the price of proviſions, owing probably, to the badneſs of the ſeaſons, and not to the multiplication of paper money.

Paine ſays page 11: with paper — there was an immediate riſe in the price of all purchaſable articles in the favorite progreſſion of 8 to 12. The following loan was neceſſarily the larger to correſpond with this new increaſe of price, and 8 to 12 changed to 90 and 135 not with regard to the relation but to the intenſion of numbers.

6) Price of Labour.

Smith B I, 11, 384. It is the natural effect of improvement, however, to diminiſh gradually the real price of almoſt all manufactures. That of the manufacturing workmanſhip diminiſhes, perhaps, in all of them without exception. In conſequence of better machinery, of greater dexterity, and of a more proper diſtribution of work, all of which are the natural effects of improvement, a much ſmaller quantity of labour becomes requiſite for executing any particular piece of work — in all caſes in which the real price of the rude materials

either does not riſe at all that of the manufactured commodities ſinks very conſiderably.

Page 16. Payne ſays the price of labour or the produce of labour will be always in proportion to the money circulating in a country and as he ſuppoſes it inſufficient he adds p. 11, 12 that the cauſe of the difference between a war which coſts 25 millions and another that coſt 160 is analogous to a ſimilar relation in the price of labour.

7) A well regulated paper money has an equel value with gold and ſilver.

1) Smith L. II, 2, 431. A guinea may be conſidered as a bill for a certain quantity of neceſſaries upon all the tradesmen in the neighbourhood. The revenue of the perſon to whom it is paid, does not ſo properly conſiſt in the piece of gold, as in what he can get for it. If it could be exchanged for nothing it woold, like a bill upon a bankrupt, be of no more value than the moſt uſeleſſ piece of paper.

2) L. IV, 1, 151. A well regulated paper money will ſupply it (gold an ſilver) not only without inconvenience, but, in ſo me caſes, with ſome advantages.

3) L. II, 2, 441. When paper is ſubſtituted in the room of gold and ſilver money, the quantity of the materials, tools, and maintenance, which

the whole circulating capital can ſupply, may be increaſed by the whole value of gold and ſilver which uſed to be employed in purchaſing them. The whole value of the great wheel of circulation and diſtribution, is added to the goods which are circulated and diſtributed by means of it. The operation, in ſome meaſure, reſembles that of the undertaker of ſome great work, who, in conſequence of ſome improvement in mechanics, takes down his old machinery, and adds the difference between its price and that of the new to his circulating capital, to the fund from which he furniſhes materials or wages to his workmen.

4) Id. p. 4. The ſubſtitution of paper in the room of gold and ſilver money, replaces a very expenſive inſtrument of commerce with one much leſs coſtly, and ſometimes equally convenient. Circulation comes to be carried on by a new wheel, which it coſt leſs both to erect and to maintain than the old one. — As thoſe notes ſerve all the ſame purpoſes of money, his debtors pay the ſame intereſt as if he had lent them ſo much money. This intereſt is the ſource of his gain. Though ſome of thoſe notes are continually coming back upon him for payment, part of them continue to circulate. — By this operation, therefore, 20,000 L. in gold and ſilver, perform all the functions which a 100,000 could otherwiſe have performed. The ſame exchanges may be made, the ſame quantity

of conſumable goods may be circulated and diſtributed to their proper conſumers, by means of his promiſſory notes, to the value of a 100,000 L. as by an equal value of gold and ſilver money. 80,000 L. of gold and ſilver, therefore, can be ſpared from the circulation of the country — the whole circulation may thus be conducted with a fifth part only of the gold and ſilver which would otherwiſe have been requiſited — that ſum being over and above what can be employed at home, will, therefore be ſent abroad, in order to ſeek that profitable employment which it cannot find at home. They employ it in the carrying trade, what ever profit they make will be an addition to the neat revenue of their own country, a new fund, created for carrying on a new trade; domeſtic buſineſs being now transacted by paper — to maintain and employ an additional number of induſtrious people, who reproduce, with a profit, the value of her annual conſumption.

5) B. IV, 2, 178. In the carrying trade, the capital of the merchant is, as it were, divided between two foreign countries — cf. L. V. 3, 452 ct. and L. II where it is proved, that domeſtic buſineſs can always be transacted with paper money.

Before I compare Paines aſſertion I ſhall embrace the following objects.

8) Rule of Proportion of Paper Money to the Quantity of Gold and Silver.

1) Smith B. II, 2, 440. The quantity of induſtry which any capital can employ, is certainly not equal both to the money which purchaſes, and to the materials etc. which are purchaſed with it; but only to one or other of thoſe two values and to the latter more properly than to the former.

2) dt. 441. What is the proportion which the circulating money of any country bears to the whole value of the annual produce, circulated by means of it, it is, perhaps, impoſſible to determine. It has been computed by different authors at a fifth, at a tenth, at a twentieth and at a thirtieth part of that value. But how ſmall ſoever the proportion which the circulating money may bear to the whole value of the annual produce, — it muſt always bear a very conſiderable proportion to that part. When, therefore, by the ſubſtitution of paper, the gold and ſilver neceſſary for circulation is reduced to, perhaps, a fifth part of the former quantity, if the value of only the greater part of the other fourfifths be added to the funds which are deſtined for the maintenance of induſtry, it muſt make a very conſiderable addition to the quantity of that induſtry, and, conſequently, to the value of the annual produce of land and labour.

3) Id. p. 443. In the preſent time the whole circulation of Scotland cannot be eſtimated at leſs than two millions, of which that part which con-

ſiſts in gold and ſilver, moſt probably does not amount to half a million. But though thoſe have ſuffered ſo great a diminution during this period — (p. 442) though the conduct of all thoſe different (bank) companies has not been unexceptionable — the country, notwithſtanding, has evidently derived great benefit from their trade — that the trade of the city of Glasgow doubled in about fifteen and that the trade of Scotland has more than quadrupled ſince the firſt erection of the two public banks at Edimburgh.

9) Internal Guaranty of Paper Money.

Smith B. II, 2, 448. The whole paper money of every kind which can eaſily circulate in any country *never can exceed the value of gold and ſilver, of which it ſupplies the place or which (the commerce being ſuppoſed the ſame) would circulate there, if there was no paper money.* If twenty ſhil. notes, for example, are the loweſt paper money current in Scotland, the whole of that currency which can eaſily circulate there, cannot exceed the ſum of gold and ſilver which would be neceſſary for transacting the annual exchanges of twenty ſhill. value and upwards uſually transacted within that country. Should the circulating paper at any time exceed that ſum, as the exceſs could neither be ſent abroad nor be employed in the circulation of the country, *it muſt immediatly return upon the banks to be exchanged for gold and ſilver.* Many people

would immediatly perceive, that they had more of this paper than was neceſſary for transacting their buſineſs at home, and as they could not ſend it abroad, they would immediatly demand payment of it from the banks. When this ſuperfluous paper was converted into gold and ſilver, they could eaſily find a uſe for it, by ſending it abroad; but they could find none while it remained in the ſhape of paper. *There would immediatly, therefore, be a run upon the banks to the whole extent of this ſuperfluous paper*, and, if they ſhewed any difficulty or backwardneſs in payment, to a much greater extent; the alarm, which this would occaſion, neceſſarily increaſing the run. (cf. p. 449.)

10) External Guaranty of Paper Money.

1) Smith B. II, 2, 434. When the people of any particular country have ſuch confidence in the fortune, probity, and prudence of a particular, as to believe that he is always ready to pay upon demand ſuch of his promiſſory notes as are likely be at any time preſented to him; thoſe notes come to have the ſame currency as gold and ſilver money, from the confidence that ſuch money can at any time be had for them.

2) B. III, 4, 133. From the beginning of the reign of Elizabeth too, the Engliſh legislature has been peculiarly attentive to the intereſt of commerce and manufactures, and in reality there is no

country in Europe — of which the law is, *upon the whole*, more favorable to this ſort of induſtry. Commerce and manufactures have accordingly been continually advancing during all this period. — But what is of much more importance than all of them, the yeomanry of England are rendered as ſecure, as independent, and as reſpectable as law can make them. — Their condition is better than in moſt other countries of Europe. (cf. c. 2. p. 94 — thoſe laws and cuſtoms ſo favourable to the yeomanry, have perhaps contributed more to the preſent grandeur of England than all their boaſted regulations of commerce taken together.

3) B. IV. 5. 319. That ſecurity which the laws in Great Britain give to every man, that he ſhall enjoy the fruits of his own labour, is alone ſufficient to make any country flouriſh. The natural effort of every individual to better his own condition, when ſuffered to exert itſelf with freedom and ſecurity, is ſo powerful a principle, that it is alone, and without any aſiſtance, not only capable of carrying on the ſociety to wealth and proſperity, but of ſurmounting a hundred impertinent obſtructions with which the folly of human laws too often incumbers its operations. — In Great Britain induſtry is perfectly ſecure, and though it is far from being perfectly free, it is as free or freer than in any other part of Europe — (cf. c. 7. p. 433) the general liberty of trade, which — per-

haps, is ſuperior, to what it is in any other country; and what is of ſtill greater importance, that equal and impartial adminiſtration of juſtice which renders the rights of the meaneſt Britiſh ſubject reſpectable to the greateſt, and which, by ſecuring to every man the fruits of his own induſtry, gives the greateſt and moſt effectual encouragement to every ſort of induſtry.

11) Theory of Banks.

Smith B. II, 2, 483. It is not by augmenting the capital of the country but by rendering a greater part of that capital active and productive than would otherwiſe be ſo, that the moſt judicious operations of banking can increaſe the induſtry of the country. That part of his capital which a dealer is obliged to keep by him unemployed, and in ready money for anſwering occaſional demands, is ſo much dead ſtock, which, ſo long as it remains in this ſituation, produces nothing either to him or to his country. The judicious operations of banking enable him to convert this dead ſtock into active and productive ſtock; into materials — into tools for work with and into ſubſiſtence to work for; into ſtock which produces ſomething both to himſelf and to his couutry. The gold and ſilver money which circulates in any country and by means of which the produce

of its land and labour is annually circulated and diſtributed to the proper conſumers, is, in the ſame manner as the ready money of the dealer, all dead ſtock. It is a very valuable part of the capital of the country which produces nothing to the country. The judicious operations of banking, by ſubſtituting paper in the room of a great part of this gold and ſilver, enable the country to convert a great part of this dead ſtock into active and productive ſtock; into ſtock which produces ſomething to the country.

„If ſuch is the fundamental law of a well regulated public credit between commercial men and a nation, it is not material to know, to what this dead ſtock amounts but whether it is ſufficient to ſupport the nominal value of the paper in circulation.“

12) Bank of England.

1) Smith B. II, 2, 479. The bank of England is the greateſt bank of circulation in Europe. It was incorporated, in purſuance of an act of parliament 1694.

2) p. 480. In 1708 the bank was allowed for doubling its capital which amounted to 4,402,343 L. In 1697 the bank enlarged its capital by an ingraftment of 1,001,171 L. (105) which was in 1696 amounting to 1,200,000 L.

3) B. V, 3, 404. During the great re-coinage in king Williams time, (1696) when the bank of Eng-

land thought proper to put a ſtop to its uſual transactions, Exchequer bills and tallies are ſaid to have ſold from 25 to 60 p. c. diſcount (ſee. II, 2, 480) and bank notes to 20) owing partly, no doubt, to the ſnppoſed inſtability of the new government eſtabliſhed by the Revolution, but partly too to the want of the ſupport of the bank of England.

„Paine (p. 18) thus quotes this paſſage: A ſtoppage of payment at the bank is not a new thing. Smith in his W. of N. b. II. c. 2 ſays: That in the year 1696 exchequer bills fell forty and ſixty p. c. bank notes 20 p. c. and the bank ſtopt payment. *That which happened in* 1696 *may happen again in* 1796 — What an Analogy! and the peace, he ſays which took place the next year was probably hurried on by this circumſtance, and ſaved the bank from bankruptcy." —

4) B. V. 2, 243 — the ordinary dividend of the bank of England at five and a half p. c. and its capital at 10,780,000 L.

5) B. II. 2, 482. The ſtability of the bank of England is equal to that of the britiſh government. All that it has advanced to the public muſt be loſt, before its creditors can ſuſtain any loſs — It acts not only as an ordinary bank, but as a great engine of ſtate. It receives and pays the greater part of the annuities which are due to the creditors of the public; it circulates exchequer bills and it advances to government the annual amount of the land and malt taxes, which are frequently not paid up till

ſome years after. (See. B. V. 2,404 the annual land and malt taxes are regulary anticipated every year by virtue of a borrowing clauſe conſtantly inſerted in the acts which impoſe them. The bank of England generally advances at an intereſt, which has varied — to 3 p. c. the ſums for which thoſe taxes are granted, and receives payment as their produce gradually comes in) — In thoſe different operations, its duty to the public may ſometimes have obliged it, without any fault of its directors, to overſtock the circulation with paper money. It likewiſe discounts merchants bills, and has, upon ſeveral different occaſions, ſupported the credit of the principal houſes, not only of England, but of Hamburgh and Holland. Upon one occaſion, in 1763, it is ſaid to have advanced for this purpoſe, in one week, about 1,600,000 L ; a great part of it in bullion — Upon other occaſions, this great company has been reduced to the neceſſity of paying in ſixpences. (ſee. 498. — to guard them ſelves againſt thoſe malicious runs, which the rivalſhip of ſo many competitors is always ready to bring upon them — after having proved: that the ſecurity of the public, inſtead of diminiſhing, increaſes by the late multiplication of banking companies in both parts of the united kingdom — thoſe multiplication obliging all of them to be more circumſpect in their conduct, and, by not extending their currency beyond its due proportion to their caſh.

Paine (p. 18.) after ſaying the peace — ſaved the bank from bankruptcy continues thus: *Smith, in ſpeaking of the circumſtances of the bank, upon another occaſion ſays (book 2, c. 2) This great company has been reduced to the neceſſity of paying in ſixpences. When a bank adopts the expedient of paying in ſixpences it is a confeſſion of its inſolvency.*

After theſe words from the Author of Common Senſe I beg the reader to reperuſe No. 5 to which they allude. Theſe two quotations on the character of Paines publication and that of Smith's relieve me from the neceſſity of appealing to twenty other paſſages in which each reaſons in his own way.

13) Paper money of America.

1) Smith, V. 3. 453. The colony governments find it for their intereſt to ſupply the people with ſuch a quantity of paper money as is fully ſufficient and generally more than ſufficient for transacting their domeſtic buſineſs. Some of thoſe governments, that of Penſylvania particularly, derive a revenue from lending this paper money to their ſubjects at an intereſt of ſo much per cent.

2) B. II, 2, 487. In the currencies of North America paper was commonly iſſued for ſo ſmall a ſum as a ſhilling, and filled almoſt the whole of that circulation. In ſome paper currencies of Yorkſhire it was iſſued even for ſo ſmall a ſum as a ſixpence.

3) Id. 495. In Penſylvania — its paper currency is ſaid never to have ſunk below the value of the gold and ſilber which was current in the colony before the firſt emiſſion of its paper money.

4) Id. 493. The paper currencies in N. America, conſiſted not in bank notes payable to the bearer on demand, but in a government paper of which the payment was not exigible till ſeveral years after it was iſſued — To oblige a creditor, to accept of this as full payment for a debt payed down in ready money was an act of ſuch violent injuſtice, as has ſcarce, perhaps, been attempted by the government of any other country which pretended to be free — *in France?*

5) B. V, 3, 459. In the exterior commerce which the different colonies carry on with Great Britain, gold and ſilver are more or leſs employed, exactly in proportion as they are more or leſs neceſſary. Where thoſe metals are not neceſſary, they ſeldom appear. Where they are neceſſary, they are generally found — Maryland and Virginia have as little occaſion for thoſe metals — they have leſs gold and ſilver money than any other colonies in America. They are reckoned, however, as rich as any of their neighbours.

6) Id. p. 452. The ſcarcity of gold and ſilver money in America is not the effect of the poverty of that country, or of the inability of the people there to purchaſe thoſe metals — the people muſt have wherewithal to purchaſe a greater quantity of

if it were neceſſary or convenient for them to do ſo. The ſcarcity of thoſe metals, therefore, muſt be the effect of choice, and not of neceſſity.

7) B. II, 5, 58. The greater part both of the exportation and coaſting trade of America, is carried on by the capitals in Great Britain — Were the Americans to — divert any part of their capital into — trade — they would retard, instead of accelerating the further increaſe in the value of their annual produce.

Paine (p. 13 ct.) in making american, french and engliſh paper all part of one bale, does not ſeem to recollect that the colonies almoſt from their origin had ſcarce any other money but paper, that the war for their independence multiplied the quantity of it to a degree that at length the exiſting paper money amounted to a conſiderable nominal value. America therefore ſees herſelf loaded at the preſent day with a public debt of 42 millions dollars and the funds of that ſtate are the moſt eſteemed in Europe.

14) The fall of American paper.

Smith B. IV, 7, 454. The perſons who now govern — the continental congreſs, feel in themſelves at this moment a degree of importance which, perhaps, the greateſt ſubjects in Europe ſcarce feel. From ſhopkeepers, tradesmen, and attornies they are become ſtatesmen and legiſlators — Five hun-

dred different people — act immediatly under the congreſs, and five hundred thouſand, perhaps, act under thoſe five hundred — the greater part of the citizens — or thoſe who governed them, fought in defence of their own importance, which they foreſaw was to be at end whanever the ancient government ſhould be reeſtabliſhed.

15) The preſent ſituation of America.

Smith B. IV, 138. Political oeconomy, conſidered as a branch of the ſcience of a ſtatesman or legiſlator, propoſes two diſtinct objects

1) *to provide a plentiful revenue or ſubſiſtence for the people, or more properly; to enable them to provide ſuch a revenue or ſubſiſtence for themſelves*

2) *to ſupply the ſtate or common wealth with a revenue ſufficient for the public ſervices. It propoſes to enrich both the people and the ſovereign.*

Remark of the Author.

The intelligent reader muſt be ſenſible that it would have been eaſy for me to have tacked together theſe extracts from Smiths work, that I might have embelliſhed this publication with the information and obſervations of ſo many diſtinguiſhed authors of this deſcription, that I might have enriched it with the new diſcoveries which engliſh literature offers to the reſearches of oeconomical and political

calculators and that in imitation of ſo many writers I might have vended in my own name the literary labours of profound and celebrated men; but I have preferred this ſimple, though leſs agreable road and in it I ſhall firſt conduct my readers to the following concluſions.

1) The bank of England * is an attribute ſo eſſential to the nature of the conſtitution, government, induſtry and trade of England that in ſuppreſſing one of the conſtituent parts of the whole, this ſame attribute is neceſſarily annihilated. This grand inſtitution, this common tie of all the national intereſts individual as well as general, can only belong to England and to her alone, in like manner as the banks of Genoa, Amſterdam, Berlin belong to thoſe particular ſtates.

For a ſtate to poſſeſs a bank ſimilar to that of England in all its extent and all its functions it is neceſſary that it ſhould previouſly eſtabliſh all that is eſtabliſhed in England, all that has been above demonſtrated.

1) „It requires a ſtate that has every reſource within itſelf."

2) „It requires a degree of induſtry and labour ſuperior to all that exiſts elſewhere."

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* Under this term the author is to be underſtood as comprehending the whole banking ſyſtem of Great Britain.

3) „It requires a commerce totally independent on the means of others, ſupported only by national faculties.“

4) „It requires an implicit ſubordination of the commerce of all other nations with reſpect to this great market.“

With theſe diſtinctive characters, a bank can take upon it ſelf the whole maſs of interior circulation and a nation may apply all its ſpecie to lucrative operations abroad. This bank is under no neceſſity to reſtrict it ſelf to the proportion of one to five of the ſpecie to its notes, a proportion which is conſidered as more than ſufficient but may extend it ſelf to the much higher proportion of one the thirty. If then the bank of England has emitted notes to the amount of ſixty millions as Paine pretends without any proof it neceſſarily follows that this bank has not yet reached the firſt term of a juſt proportion of its natural function.

The bank of England is affected to the extent of the interior circulation, all the varieties of which it inherits and the employment of its means is neceſſarily circumſcribed by the means of that circulation. This mutual reaction conſtitutes an invariable rule of relation which on no ſide whatever muſt be exceeded. The extent of the circulation being known that of the inſtrument which operates it is inſtantly aſcertained and *vice verſa*.

The moſt powerful member of the bank of England is the bank of London preſided and adminiſtered, not as Paine ſays, by the miniſtry, but by a direction as jealous of its intereſts as the other banking companies and individual bankers who are equally members of the bank of England and who circulate perhaps a much greater quantity of paper than the bank of London are of theirs. Such an aſſociation which at once comprehends the fortune property and action of a whole rich nation, I muſt repeat can only belong to England. If other nations boaſt of the character of their banks it is with reaſon. That of Hamburgh belongs to a very circumſcribed ſtate. The character of the commerce of its inhabitants has been excluſively that of agency or to be more preciſely underſtood, that of receiving and forwarding goods. The conſigner and conſignee naturally requiring to be placed in ſome ſtate of ſecurity with regard to the agent the citizens conſtituted a general caſhier for their funds and for thoſe confided to their management and this caſhier relieves them from the neceſſity of dragging money through the ſtreets.

The bank of Amſterdam analogous to the character of the commerce which Holland carries on both for its own account and through its agency for that of other nations is equally ſo in its inſtitution; having with ſome modifications adopted

the principles of the banks of England and Hamburgh.

The officious hand of the politician has wiſhed to remake every thing; it has patched nature, ignorantly interfered with commerce and after awkwardly ſpoiling the principle has ended by ſaying that the proſperity of commerce is independent of human wisdom. By no means; it is connected by the relation of the principle to its action. Let the Americans accumulate a fund of 8c0000 dollars their Bank would never the leſs totter. Let a lombard, a mount of piety at Berlin uſurp the name of bank, it will never be one. Let the Hamburghers miſtake tranſitory circumſtances, let them venture on enterprizes for their own account in ſpite of their lucrative commerce of commiſſions and they will ſoon feel that their bank ſo far from giving them ſupport will only enchain their operations.

If it was neceſſary to prove to Paine the independence of the bank of London on the miniſtry it would ſuffice to refer him to the troubleſome and ſo often repeated applications to be reimburſed its advances made by the directors to the exchequer; but the celebrated diſpute in 1790 on the ſubject of the dividends remaining unclaimed and which never will be claimed, to which, according to civil and public right the ſtate might have been heir, but which it propoſed to appropriate to it ſelf only in the form of a loan, furniſhes a moſt valuable

document of the rights as well of the conſtitution and relation of this bank to the government. It was on the motion of Mr. H. Thornton that the houſe of commons reſolved, that the directors of the bank are not ſimply the agents but the depoſitaries of the public, that it would be contrary to all juſtice to take out of their hands the money which the public had confided to them and not to Government; Can there be yet the double meaning to this word Public which Paine endeavors to attach to it?

By this remark I think I have diſmounted the grand battery raiſed againſt England which was to have demoliſhed it from the quarter called the debt at all times demandable of the ſtate, of which no avail will be made; Thelwall and his companions having no more funds in the bank than they have of affection for their country.

To purchaſe thoſe political balliſts that throw down the edifice of a ſtate it is certain would require the fortune of an Orleans or a Bedford; but Bedford is too moderate to form views on the crown of Great Britain as much too humane to attach himſelf to the oppreſſors of peaceable nations as to deſpotic power and too much of an Engliſhman to remain calm on the approach of the ſtorm which is to ruin his country. — As will appear on the opening of parliament.

16) Paper Money of France.

The National Aſſembly having conſtituted it ſelf on the 11 June 1789 entered into the following ſolemn engagement with the creditors of the ſtate on the 27 Auguſt.

„The national aſſembly declares that in no caſe and under no pretext ſhall any reſerve or deduction whatever be made of any part of the public debt.“ And on the ſubject of this debt thus placed under the ſafe guard of French honor and loyalty the Miniſter further declared that „when the repreſentatives of a nation have entered into ſo ſolemn an engagement it would be doing them an outrage to wiſh to confirm them in it in the name of Wisdom Reaſon and Policy.„ He concluded with the following words. „Be juſt moderate and confident and you will be free.“

The Caiſſe d'Eſcompte advanced to the ſtate the ſum of 170 millions to be reimburſed in aſſignats decreed by the edict of the 19 December; Theſe promiſſory notes to the amount of 400 millions bearing an intereſt of 5 pCt. had for a direct hypothecation ſuch part of the domains or lands of the clergy as the bearer thought proper to fix upon; and 100 millions were to be cancelled in 1791 an equal ſum the following year and the reſt at the end of 1795. This intereſt was by the decree of the 17 April reduced to 3 pCt. and finally ſuppreſſed altogether.

The ſubject of bankruptcy has from time to time exerciſed the talents of Orators; Among others Rabaud de S. Etienne made an excellent ſpeech on the moral impoſſibility that the horrors of the deſolation in the year 1720 ſhould return „becauſe the ſtate owes 240 millions annually, ſaid he ſhall it be called bankruptcy? odious, infamous name which can only be pronounced by thoſe who wiſh to ſee France periſh and by the enemies of the nation and of humanity who would reduce it to a heap of ruins. — The hidden treaſures will reappear when terror is diſſipated."

The king by his proclamation of 19 April ſtamped on theſe national notes the character of „the Debt of the Nation held moſt ſacred."

The repreſentatives of this great nation ultimately founded confidence on laws the moſt reſpected among nations as well as on the evidence of reaſon. In their addreſs to the French Nation they ſay: „Deſpots, Tyrants, thoſe who govern without laws preſcribe to themſelves no duty, they may with impunity deſtroy the works of each other but a nation does not thus act towards itſelf. We muſt either conceive it treading under foot the laws of its own making or certainly ſuppoſe it poſſible that it ſhould conſent to expoſe itſelf anew to the pillage of despotiſm and permit again particular men to invade its liberty. — Where is the inſtance of a people become free who have

become unjuſt towards thoſe who ſerve them * — The national aſſembly has examined the aſſignats, money in every point of view. It has not rejected the idle declamations on the ancient abuſes of paper money till after the *moſt exact analyſis of its plan:* It has conſidered that gold and ſilver when coined, have themſelves two different values, the one as merchandiſe the other as ſign or mark of exchange. The firſt, liable to vary according to the ſcarcity or abundance which always riſes or lowers the prices of all goods, requires that the law ſhould ſtamp upon it a ſecond immutable value in order not to multiply embaraſsments in commerce. etc." **

Without copying this fine monument of the wisdom of the firſt legiſlators of France who certain-

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* When the imagination alternately transports itſelf from the boſom of the aſſembly of the firſt legiſlators of France, to the plains of Italy and of Germany; to the bloody ruins of Pavia, Binaſco, d'Arquata de Lugo; to the midſt of the deſolation of terror and of the inanition of nations who once bleſſed the day of french liberty; When we ſee the zealous friends of human nature and the fatal policy of Richelieu; the extermination of principles and the ſanctuary of the rights of man; the mind becomes troubled, ideas are confounded, thought loſes it ſelf and the ſoul doubts its exiſtence.

** It will immediately ſtrike the reader that the theory though juſt in itſelf has not been developed with the clearneſs and preciſion of which it was ſuſceptible.

ly acted with good faith and who foreſaw neither the dreadful bankruptcy of the Thermidorian party or that of the mandats, we ſhall further obſerve that already when the ardent imagination of Mirabeau cauſed the aſſignats to be preferred to the Quittances with an intereſt of 5 pCt.; le Brun was of opinion that the putting into circulation a maſs of paper the repreſentative value of which could never be realiſed, would be productive of an extreme injuſtice towards the people. The fund of aſſignats was extended to two milliards and a half while the public debt approached nearly to the ſame ſum. It has always been a miracle in the eyes of Europe that France by means of aſſignats has, if I may uſe the expreſſion, with the ſtroke of a pen diſembaráſſed herſelf of her public debts. To the exiſting 400 millions were ſoon added 800 millions more, which in a nation where every thing is begun with enthuſiaſm and finiſhed with indifference cauſed a loſs on them in April 1791 of 10 pCt. The 17 May, Camus valued the whole national property at 3 milliards and in that day was paſſed the memorable decree: that an account ſhould be given every fourteen days of the fabrication of aſſignats; a practice abandoned after Cambon's time.

Very ſoon that is to ſay in December of the ſame year, it appeared by the memorial Mr. Dufreſne, Director General of Liquidations cauſed to be diſtributed to the members of the national aſſembly that the aſſignats already emitted formed a

ſum of 1600 millions independent of 4 to 500 millions which it was further neceſſary to emit; and that the national property on a medium valuation amounted to 2 milliards 4 a 500 millions. Of the 7 a 800 millions ſtill remaining, a new fabrication of 300 million aſſignats was immediately decreed.

From the time the national property, that valuable fund, became converted into aſſignats, the public debt far from being diſcharged, accumulated enormouſly and ſince that period it is no longer poſſible to follow the traces of the financiers of France.

The confiſcated property of the emigrants furniſhed new funds. Cambon admirably ſupported the credit of aſſignats which were more depreciated when Dumourier abandoned France though the quantity at that time was one half leſs, than in the beginning of the Thermidorian reign. In the month of March 1794 nine milliards had been fabricated.

Under the reign of the Thermidorians the markets of Europe were inundated with aſſignats. Johannot made one report reſpecting them (on the 23 Dec. 1794.) The national property under his creative hands acquired a value of twelve milliards beyond what Camus, Le Brun etc. had eſtimated it and the preſent conſtitution finally diſcovered to the eyes of the multitude an accumulation of 30 milliards that the adminiſtration of a ſingle year had added to the 9 milliards which Cambon left behind.

The preſſing debt (dette criarde) of 878 millions of which Neckar, Calonne, Montesquiou, Mirabeau etc. has ſaid ſo much, the intereſt due to the creditors of the ſtate, the reimburſements, the ſales of national property already concluded or carried into effect, confidence, public faith, the ſafeguard of french honor and loyalty — all were buried under the ruins of this edifice of paper.

The government propoſed at firſt a reduction of thirty for one, ſoon after another of a hundred for one, not of metallic money, but of new paper, as the laſt reſource, as an infallible remedy. This was the Mandats. But having no more ſolidity than aſſignats, their actual value of one for thirty indicates their tendency to the ſame nullity of aſſignats.

In France ſays Paine they order theſe things better. The good Rabaud certainly made no doubt of it when he ſaid in 1791. „You will not pay the capital; how then can there be a bankruptcy!“ But could thoſe who are diſpoſed to pity France as unfortunate, rather than to condemn it as vicious, have imagined that the Author of Common ſenſe would ſo far forget himſelf as to provoke the judgement of the public between the official report of a miniſter delivered to parliament, and the evident truth of the fact. Happy would it have been for France and for Europe had things not reached this extremity. The nation gentle, humane, generous by character would not then have plunged herſelf into exceſſes that cauſe torrents of blood and tears to flow. Far from plundering her

friends and her brethren, and faithful to her ancient manners she would have carried consolation even into the country of the conquered enemy.

17) Specie.

1) Smith IV, 1, 160. The circulating gold and silver of the country had not been supposed to exceed eighteen millions L. — it is believed to have been a good deal under-rated — according to the most exaggerated computation by M. Horsely gold and silver together, it amounted to thirty millions.

2) Id. id. c. 6, 335. the annual coinage, for ten years together, before the late reformation of the gold coin amounted to upwards of 800 thousand pounds a year (see p. 159) we never heard of any extraordinary quantity of plate being melted down.

As Paine has founded his system on the want of specie in England and as Smith has not determined the relation that England bears to France in this respect, we may be permitted to supply the omission. We shall only speak from the time of the assembly of the Notables and in the first place shall reject the evidence of Neckar for the following reasons.

1) Laws system caused a very sensible loss in the specie of France.

2) Wars have cost an infinite deal of money to France without her being able to procure the same

means as in England to repair this loſs. The diſputes of financiers at the time of the Notables reſpecting the *Deficit;* a ſubject on which opinions have varied between the 80 and 140 millions, have demonſtrated, that the war of 1756 abſorbed annually, beſides the impoſts, 400 millions extraordinary; and that altogether it coſt France 4000 millions. France had loſt its colonies, its commerce, its marine, and conſequently an annual balance of trade of 80 millions in its favor, beſides an annual importation of 321 millions which was ſuſpended during the whole of that war. If I muſt further demonſtrate the immenſe loſs France experienced in her ſpecie, I have only to repeat here what Johannot told the convention in his famous report of the 23 Dec. 1794. I riſe againſt thoſe who adopt a fatal error in ſuppoſing, that France has every reſource within it ſelf and that her ſoil produces all that is neceſſary to ſupply the wants of its inhabitants. Experience has very ſoon ſhewn the abſurdity of ſuch policy and all the decrees that it has produced have not been able to prevent our being provided when we were in want of all.

3) If as Smith ſays, gilding and plating conſume at Birmingham alone the value of fifty thouſand pound ſterling it muſt be remembered, that not only France it ſelf abſorbed in this reſpect a prodigious ſum in Louisd'ors, but that watchmaking and jewellery at Geneva Neufchatel etc. annually cauſed half a million of theſe pieces of gold to be thrown into the crucible; beſides Louisd'ors circulated in abundance

in Switzerland, Germany and all parts of Europe while a guinea was very rare to be ſeen out of England. The petty princes of Germany who coined money and with whom Seignorage forms a branch of their revenue made uſe of french ſpecie only.

4) In England very little ſilver coin is to be met with, on the contrary in France (Smith B. I. c. II. f. 48) „the largeſt ſums are commonly paid in ſilver and it is there difficult to got more gold than what is neceſſary to carry about in your pocket.

5) The public acts of the year 1786 on the recoinage of gold evidently demonſtrate the value of the ſpecie that might be in circulation in France.

The king in his ordinance on this ſubject alleges as motive the hope of ſeeing gold re enter France from the allurement of gain. *

It is true it was propoſed by this plan to procure for the kingdom 600 millions in gold; but 118 millions of receipts (reconnoiſſances) delivered, ſhew that the promiſed ſum fell very ſhort, and the intereſt attached to theſe receipts throw a ſhade over the whole operation.

The Parliament of Paris in its famous remonſtrance of 16 May thus expreſſes itſelf. The moſt general opinion is that ſince 1726 there has been coined 1600 millions in ſilver and 960 millions in gold

* The operation of this reform of the gold paſſed for one of thoſe which is called miniſteriel.

without making an account of what foreign commerce may have employed of thoſe metals in gilding etc. The parliament proves with as much ſagacity as juſtneſs, that ſo far from cauſing gold to re-enter, ſilver to a greater value than the gold would be exported to the eminent prejudice of the nation. The opinion of ſo reſpectable a body is of no ſmall value. It reſults from it that coinage may have procured France an annual increaſe of 40 million in which Neckar coincides.

The ſame year Mr. Roſe reported to the Britiſh Houſe of Commons that 2,500,000 guineas had been coined the preceding year, that, taking one year with another there was never leſs than half a million emitted and yet no guineas are ſeen abroad. In this computation the circumſtance that recourſe has been frequently had in France, but never in England, to the expedient of melting plate is of great weight.

Is it to be believed that of a ſum of 106 millions Sterling put in circulation in fifty years by the mint of France there ſhould have been loſt in exterior circulation only about 16 millions, while England which has in the ſame ſpace of time emitted from its mint a ſum nearly equal ſhould only have preſerved 18 millions. Beſides coin the commerce in bullion (ſee Smith) has been at all times much more conſiderable in England than in France where the drain of ſpecie has been uniform except at periods of profuſion,

ſuch as times of war, ſcarcity or political agitations when money is thrown way with open hands.

By the war of 1756 (it is Millot that ſays it) France loſt more than half of her ready money.

In a word, it would be very eaſy to ſhew that at the period of which I ſpeak France did not poſſeſs one third of the ſpecie with which, Neckar and Paine after his example have gratified it.

18) Public Debts.

1) Smith B. V, 3, 402. The progreſs of the enormous debts, which at preſent oppreſs and will in the long-run probably ruin, all the great nations of Europe, has been pretty uniform.

2) Dº. dº. 431. The Italian republics ſeem to have begun the practice of funding — Genoa and Venice have been enfeebled by it. * Spain ſeems to have learned the practice from the Italian republics, and (its taxes being probably leſs judicious than theirs) it has been ſtill more enfeebled. — Spain was deeply in debt before England owed a ſhilling. France, not with ſtanding all its natural reſources,

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* The decline of theſe two ſtates is not immediately to be attributed to this cauſe. They loſt their commerce and their induſtry in the manner generally known. Their revenues being diminiſhed the public expences from being light as before, became oppreſſive.

languiſhes under an oppreſſive load of the ſame kind. The republic of the United Provinces is as much enfeebled by its debts as either Genoa or Venice. *) Is it likely that in Great-Britain alone a practice, which has brought either weakneſs or deſolation into every other country, ſhould prove altogether innocent? The ſyſtem of taxation eſtabliſhed in thoſe different countries, it may be ſaid, is inferior to that of England. *I believe it.*

The whole that can be reaſonably proved from theſe paſſages by Paine (p. 2.) is that every nation of Europe or if he pleaſes, government, is in debt; but he ought to have added that England is the leaſt overwhelmed with it and that conſequently ſhe will be the laſt to be ruined.

19) Public reſources.

1) Smith B. V, 3, 432. To the honour of our preſent ſyſtem of taxation, indeed, it has hitherto given ſo little embarrasment to induſtry, that during the courſe even of the moſt expenſive wars, the frugality and good conduct of individuals ſeem to

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* To the end of its exiſtence this republic has never complained of its debts, but much of party ſpirit which has proved the final cauſe of ruin. As for our debt, good Dutchmen have always ſaid, it is a mere trifle in compariſon with the reſt.

have been able, by saving and accumulation, to repair all the breaches, which the extravagance of government had made in the general capital of the society. At the conclusion of the late war, the most expensive that Great-Britain ever waged, her agriculture, her manufactures — her commerce were as flourishing and extensive, as they had ever been before. The capital, therefore, which supported all those different branches of industry, must have been equal to what it had ever been before. Since the peace, the revenue of the people — the annual amount of the old taxes — the excise and customs in particular, has been continually increasing; an equally clear proof of an increasing consumption, and consequently of an increasing produce (see B. I, c. 9.)

2) The cause of that increasing wealth, during the most expensive wars; is B. II, 3, 22, the uniform, constant and uninterrupted effort of every man to better his condition, the principle from which public and national, as well as private opulence is originally derived, — like the unknown principle of animal life, it restores health and vigor to the constitution, in spite not only of the disease, but of the absurd prescriptions of the doctor.

What appears to Paine (p. 29) „to be something curious in the movements of this modern complicated machine the funding system" finds its solution in the following passages.

3) Smith B. IV, I, p. 160. Had the war (in 1756) been carried on by means of our money

(the capital, it is ſaid, which ſupported all thoſe being the ſame at the concluſion of the war) the whole of it muſt have been ſent out and returned again at leaſt twice, in a period of between ſix and ſeven years. — The expence of 1761 amounted to more than nineteen millions — the whole gold and ſilver annually imported into both Spain and Portugal — would ſcarce have paid four months expence of the late war — A country whoſe induſtry produces a great annual ſurplus of ſuch manufactures, which are uſually exported to foreign countries, may carry on for many years a very expenſive foreign war, without either exporting any conſiderable quantity of gold and ſilver, or even having any ſuch quantity to export. The manufacturers, during the war will have a double demand upon foreign countries. — Therefore the greater part of manufactures, in the midſt of the moſt deſtructive foreign war, may frequently flouriſh greatly; and on the contrary, they may decline on the return of the peace. — The profits of foreign trade, indeed, were greater than uſual during the whole war; (1756) but eſpecially towards the end of it — which ſtill bring us back to commodities, to the annual produce of the land and labour of the country, as the ultimate reſources which enabled us to carry on the war.

It would be quite ſuperfluous to tranſcribe the aſſertions of Paine reſpecting the approaching ruin of England. Let him judge of the ſituation of France by the following paſſage.

4) B. II, 3, 20. The whole public revenue is employed in maintaining unproductive hands — a ſplendid court, great armies, who acquire nothing which can compenſate the expence of maintaining them. When multiplied, therefore, to an unneceſſary number, they may conſume ſo great a ſhare of this produce, as not to leave a ſufficiency for maintaining the productive labourers. The next year's produce therefore, will be leſs than that of the foregoing, and of the ſame diſorder ſhould continue, that of the third year will be ſtill leſs than that of the ſecond — and oblige ſo great a number to encroach upon their capitals — all good conduct of individuals may not be able to compenſate the waſte and degradation of produce occaſioned by this violent and forced encroachement (ſee B. III, 2, 89. Plato ſays: to maintain five thouſand idle men (the number of warriors ſuppoſed neceſſary for defence of his republic) together with their woman and ſervants, would require a territory of boundleſs extent and fertility, like the plains of Babilon.

20) Symptoms of Credit.

1) Smith B. V, 3, 402. In a rude ſtate of ſociety are no great mercantile capitals. The individuals, who hoard whatever money they can ſave, and who conceal their hoard, do ſo from a diſtruſt of the juſtice of government, from a fear that if it was known, that they had a hoard, and where that

hoard was to be found, they would quickly be plundered. In ſuch a ſtate of things few people would be able, and nobody would be willing, to lend their money to government on extraordinary exigencies. The ſovereign feels that he muſt provide for ſuch exigencies by ſaving, becauſe he foreſees the abſolute impoſſibility of borrowing (p 396) the ſame violence which made it convenient to hoard, made it equally convenient to conceal the hoard. Treaſure trove was then conſidered as an important branch of the revenue of the ſovereign. Every Tartar chief is ſaid to have a treaſure.

2) p. 397 etc. In a commercial country — the ſovereign is not amaſſing a treaſure. — In the moment, in which war begins — the ſame commercial ſtate of ſociety which, by the operation of moral cauſes, brings government in this manner into the neceſſity of borrowing, produces in the ſubjects both an ability and an inclination to lend. If it commonly brings along with it the neceſſity of borrowing, it likewiſe brings with it the facility of doing ſo. — A country abounding with merchants, neceſſarily abounds with a ſet of people who have it at all times in their power to advance, *if they chuſe to do ſo*, a very large ſum of money to government. Commerce and manufactures can ſeldom flouriſh long in any ſtate, which does not enjoy a regular adminiſtration of juſtice; in which the people do not feel themſelves ſecure in the poſſeſſion of their property; in which the faith of contracts is not ſupported by law,

and in which the authority of the ſtate is not ſuppoſed to be regularly employed in enforcing the payment of debts from all thoſe who are able to pay. Commerce, in ſhort can ſeldom flouriſh in any ſtate in which there is not a certain degree of confidence in the juſtice of government. The ſame confidence which diſpoſes great merchants, upon ordinary occaſions, to truſt their property to the protection of a particular government, diſpoſes them, upon extraordinary occaſions to truſt that government with the uſe of their property. By lending money to government they do not even for a moment diminiſh their ability to carry on their trade and manufactures. On the contrary they commonly augment it. The neceſſities of the ſtate render government upon moſt occaſions willing to borrow upon terms extremely advantageous to the lender. The ſecurity which it grants to the original creditor, is made transferable to any other creditor, and, from the univerſal confidence in the juſtice of the ſtate, generally ſells in the market for more than was originally paid for it. The merchant or monied man makes money by lending money to government, and inſtead of diminiſhing, increaſes his trading capital. He generally conſiders it as a favour, therefore, when the adminiſtration admits him to a ſhare in the firſt ſubſcription for a new loan. Hence the inclination or willingneſs in the ſubjects of a commercial ſtate to lend. The government of ſuch a ſtate is very apt, to repoſe it ſelf upon this ability and willingneſs of its

ſubjects to lend it their money on extraordinary occaſions. It foreſees the facility of borrowing, and therefore diſpenſes it ſelf from the duty of ſaving.

3) B. V, 2, 300. In a particular exigency the people may, from great public zeal, make a great effort, and give up even a part of their capital in order to relieve the ſtate.

The Reader muſt have immediately perceived which of the above quotitions is applicable to the actual ſtate of France and to that of England. I might here turn againſt Thomas Paine the expreſſions he makes uſe of without quoting others but I will only aſk if Paine ſeriouſly thinks that among the engliſh nation there is a man ſo mad ſo ſtupid as to ſuppoſe that a ſyſtem like that of England is expoſed to a ſpeedy ruin.

Almoſt all the ſtates which pretend much or little to liberty have made extraordinary ſacrifices for the public cauſe Holland has done it frequently; France has made the very extraordinary ſacrifice of all its metallic property. Shortly after the transmigration of money into paper and the funeral proceſſion of the latter to the Potters field the common grave of Aſſignat and Mandats (Paine 4) the government further demanded of its ſubjects the ſum of 600 millions Sterling though they had not 6 millions in ſpecie to contribute and not withſtanding the facility of getting rid of aſſignats ſcarce a third of that ſum is yet come in.

Before an engliſhman becomes really neceſſitous will he be „ſo mad ſo ſtupid“ as to refuſe an analogous ſupport to government but hitherto England is at a great diſtance from theſe two extremes.

The quotation No. 2. developes the origin of the banker Morgan's reſentment and the character of his pamphlet on the finances of England. Making in finances a common cauſe with T. Paine in order to run down the government of his country, Morgan ought not to have ſubjected himſelf to the reproach of a notorious falſity of calculation on the amount of the public debt.

Boyd, Benfield, Co, Thelluſſen and Hope are ſome of the merchants who in a week furniſhed three millions ſterling in ſpecie. If Boyd was „ſly enough in France „to change his paper into caſh“ it appears he underſtands buſineſs very well, when therefore after this experience a judicious man truſts 18 million to a ſtate the ſituation of whoſe finances he ought to be much better acquainted with, it is a proof that they are not what Paine would have them to be. Groundleſs accuſation of men of fair reputation becomes then calumny, ſuſpicion thrown out, an attack on the honor of individuals and the reaſoning of Paine deſtroys it ſelf by its own arguments.

Morgan's reflection on the Miniſter reſpecting the profit of Boyd is further done away by the above quotation. The profit on theſe kind of loans is an object of mere ſpeculation. If public affairs had been ſuch as Paine repreſents them the firſt houſes of buſi-

neſs would at this day have been already ruined inſtead of deriving the very conſiderable gain which they have drawn from them.

21) Domeſtic Reſources of France.

France in the year 1764 found it ſelf loaded with a debt of 2400 millions of which an eighth was in annuities. Gold and Silver had been diminiſhed by the melting down of plate.

The famous deficit has exiſted ſince the time of Fleury who left it at 75 millions (ſee Calonne report in 1781) The Archbiſhop of Bourdeaux made it amount to 140 millions.

The debt of the clergy, that of the princes and the mortgages of private property abandoned by the emigrants will probably approach to the firſt ſum. Of all this debt the government has freed itſelf in a manner the moſt deſtructive of the liberty of the citizens and of the national power. At the commencement of the revolution the miniſter made the firſt purchaſe of wheat (ſhipped on board 502 veſſels) to the value of 23 millions. Since 1789 the ſtate has fed Paris and the conſumption of that city alone has been 4000 ſeptiers of wheat daily which at a medium price ſurpaſſes the other ſum. The other parts of France have been equally furniſhed with proviſion from abroad, America alone may have loaded 800 veſſels annually for account of France and theſe pur-

chaſes can not have been effected but with gold and ſilver.

Under the ſanction of the decree of 1791 which permitted free ingreſs and egreſs, every body ſaved their ſpecie and valuable effects. At the end of the year there were no leſs than 60000 emigrants inſcribed at Coblence and the number of thoſe to be met with in every other part of Europe was much more conſiderable; gold and ſilver of courſe came out of France with them. If there are many neceſſitous emigrants there alſo many in eaſy circumſtances and ſome even very rich. Six years of enormous expences occaſioned by continual migrations have not yet abſorbed the capital they brought away.

The growing deficiency which rendered a recourſe to aſſignats indiſpenſably neceſſary was the firſt indication of the enormous diminution of ſpecie analogous to the abundance of french money in all Europe. The inſignificance of the patriotic gifts of the nation which on the extinction of the firſt effervescence only formed a ſum of 4.310,995 Liv. (183,791 L.) is another indication of it.

The expences for the ſervice of foreign affairs, the abſolute ſuſpenſion of commerce and the purchaſe of all the articles of conſumption evidently prove that France before the conqueſt of Holland had no longer any of its gold and ſilver. The ſpecie raiſed in Holland has not been ſufficient for

the neceſſary conſumption of the precious metals for the following reaſons.

1) The whole of the articles of conſumption annually imported from India to the value of 150 million has been loſt to France except the importations from the Iſles of France and Bourbon ſo that France has been deprived of an annual profit of about 30 millions.

2) The petition of the Chamber of Commerce of Bourdeaux preſented on the 23 Feb. 1790 againſt the edict for the ſuppreſſion of the ſlave trade thus lays open the ſituation of the Weſt India Iſlands. „The commerce of France ſay the Bourdelois, is annihilated if the colonies ceaſe to exiſt for her and for her alone; if then commerce is the neceſſary agent of the marine, agriculture and the arts, the ruin of commerce would ſtrike with inaction the marine, agriculture and the arts.“

„Five millions of frenchmen exiſt by the commerce which the colonies give riſe to, they furniſh an annual revenue of 200 millions and a balance of 80 millions in our favour. This ſource of riches fertilizes the interior provinces; it circulates through all the channels of induſtry and diffuſes itſelf to the farmer land owner, artiſan, manufacturer and merchant. A ſtate who owes almoſt all its luſtre to commerce cannot with impunity depart out of this track, 400 millions advanced to the coloniſts have no other ſecurity than their property and their induſtry; the total ruin of the empire would be the conſequence of this dread-

ful revolution. — At the moment when France appeals to her children and calls upen them for ſuccour can they add to the public fortune when their own is in danger? A miniſter who has ſo many claims to our confidence has acknowledged, that our advantage in the exchanges reſts on the exterior commerce of our manufactures and american produce, that the commerce of this produce forms three fourths of the exportations of the kingdom and that France owes ſuch a balance to the produce of the Iſlands, that government cannot watch with too much vigilance on the great ſhare of proſperity ſhe poſſeſſes through her colonies." On the preſent and paſt ſituation of this vaſt city (Bourdeaux) they thus expreſs themſelves. „To the eaſe, which reigned there and the activity which marked its operations has ſucceded a general ſtagnation in buſineſs, credit is extinct, miſery is appearing and the year 1789 compared to that of 1788 preſents in the circulation of the port a diminution of 1419 veſſels. The proſperity of Bourdeaux and its influence on the provinces reſts on its commerce. Its fate eſſentially depends on that of the colonies and if we loſe the colonies, Bourdeaux periſhes with them.

The miniſter in his ſpeech added, that it is not by the favors of providence, by a plentiful harveſt that the ſubſiſtence of ſuch a kingdom as France can be aſſured.

The ſtate of things, ſuch as it is deſcribed, has continued getting worſe during the courſe of ſix years.

Already in July 1791 it was declared to the national assembly that the pieces of 12 sous were become as scarce as crowns were a year before that sous pieces would soon take their place and that it was in vain people complained that the 800000 coined every day disappeared without returning. The principal trading towns without a name, the guillotine permanent to the workhouses of industry, and the first manufacturing city destroyed. The real power of the state followed the fate of interior prosperity. The navy and arsenals of France which Luzerne on his resignation 20 Sept. 1790 declared to be much more considerable than they had ever been since the beginning of the present century, have perished through the ignorance of the seamen and of officers without talent and experience.

Finally to make use of Paine's expression p. 29 „there is however something curious in the movements of this modern complicated machine of the *Caisse de l'extraordinaire*, the first part of whose movements has given great powers to the government of France" and it is by a kind of prodigy that it has supported itself so long, but as the same author says „in the last part it takes them completely away." The road to the return of the resources and expedients which have been lost among others that of a national banking fund, adapted to the particular circumstances of the state has been barred by the wretched mandats and confidence the most free and independent act of the will of individuals can never revive in

a country which is as much agitated within itself as it agitates its unfortunate neighbours.

It is true that Sieyes glorying in his exploits in Holland carried to the convention the promiſe ſanctioned by his name. „France has what ſhe wiſhed a grand and ſuperb naval and commercial exiſtence.“ But hitherto there is ſtill room to repeat the words of the Directory (in their addreſs to the french nation 22 May 1796.) „Ingenious ſeducers! They offer abundance but it is of pillage and its certain concomitant miſery the moſt dreadful. They promiſe wealth yet drain all its ſources. They wiſh to recall thoſe diſaſtrous times when commerce and agriculture dried up in all their channels expire under the hand of the oppreſſor and plunderer and when by conſuming its reſources and ceaſing to renew them a country muſt ſoon have nothing to offer but a barren and deſolated ſoil“ Holland certainly promiſed the only real reſource to France had the diſpoſal of it fallen into able hands.

The republican form of government ſays Smith (B. V, c. 2, p. 393) ſeems to be the principal ſupport of the preſent grandeur of Holland. The owners of great capitals, the great mercantile families, have generally either ſome direct ſhare, or ſome indirect influence, in the adminiſtration of that government. For the ſake of the reſpect and authority which they derive from this ſituation, they are willing to live in a country where their capital, if they employ it themſelves, will bring

them leſs profit, and if they lend it to another, leſs intereſt; and where the very moderate revenue, which they can draw from it will purchaſe leſs of the neceſſaries and conveniencies of life than in any other part of Europe. The reſidence of ſuch wealthy people neceſſarily keeps alive, in ſpite of all diſadvantages, a certain degree of induſtry in the country. *Any public calamity which ſhould deſtroy the republican form of government, which ſhould throw the whole adminiſtration into the hands of nobles and of ſoldiers, which ſhould annihilate altogether the importance of thoſe wealthy merchants, would ſoon render it diſagreeable to them to live in a country where they were no longer likely to be much reſpected.* They would remove both their reſidence and their capital to ſome other country and the induſtry and commerce of Holland would ſoon follow the capitals which ſupported them.

According to theſe principles to which two reſpectable men, *Cochon* and *Ramel* were attached, France would have found in the poſſeſſión of Holland one of the moſt abundant reſources by proclaiming the neutrality of that republic and confiding the reins of government to more worthy hands. But what has been the reſult? The policy of Sieyes who wiſhed *to transfer to France the naval and commercial eſtabliſhment of Holland*, has only operated to the ruin of the one and of the other

and Holland is this day in every reſpect on a perfect level with France; without ſhipping, without ſeamen, without colonies, without money, without tranquillity, without peace, without commerce, without reſources. England has become authoriſed to retain its funds in her hands. Paine ſays: all governments muſt fall. Thus warned, if it is impoſſible to avoid their fall, they will all at leaſt take meaſures to retard it. If then France invades all nations, confraternally ſtrips her friends and inhumanly her enemies, ſhall thoſe ſame governments be ſo tied down to the principle of public faith as to be inacceſſible to the ſeductions ariſing from the examples of the French. Would they not ſeize the pretext of revenging themſelves on the ſpot on Holland conſidered as a province of France. „*A great and powerful nation has no occaſion to embaraſs itſelfs with its debts, it can become rich whenever it pleaſes.*“ This principle of abſolute power, adopted by the legiſlators of France and proclaimed by the committee of finances, decided the fate of the aſſignats and that of the creditors of the ſtate.

Without entering into the ſyſtem of the new morality and without defining the genius of gallic liberty, which is about to be eſtabliſhed on its baſis, I ſhall only obſerve, that the Dutch will ſee with uneaſineſs their funds in the hands of the powers of Europe, and that theſe powers will

not part with them while war agitates Europe. If public faith has hitherto preſided over theſe kind of engagements, it is to be hoped, it will be yet ſtill more reſpected by thoſe who wiſh to found their power on the baſis of juſtice and true honour. But crime ceaſes to be frightful when ſupported by vanitiy. Will not ſmaller ſtates, the friends and allies of France equally aſſume the magnificent title of *great and powerful nations*, particularly when they perſuade themſelves that this predicate implies the power of diſembaraſſing themſelves, when *convenient*, of ſome obligation of public faith. Farther, political connexions reſt on a communication of maxims. If however ſtates who are faithful to their engagements, ſeeing the property of individuals, who have lent them money, violated, and their perſons detained in hard dureſs for the reentrance of thoſe funds and the intereſt due; they ſhould ſuſpend all payment till the return of a government eſtabliſhed with the conſent and by the plurality of citizens eſcaped from ſlavery; would it not in ſome degree be an act of protection and of humanity towards individuals and the deſcendants of thoſe who confided a part of their fortune to the faith as well as to the power of a foreign ſtate? This ſeems to be as juſt as are the grounds on which a ſimilar meaſure for other reaſons is to be juſtified on the part of England. Some wrecks of great fortunes will be thus ſaved by foreign loyalty and at length the unhappy citizens will be diſcharged

from priſon, when no longer able to procure the means of their own ſupport. *

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* This term is at no great diſtance. The republic by the effort of ſeveral centuries had ariſen to that degree of proſperity which is beneficial to human nature and which cauſes neighbors neither to mendicate or weep. True glory was the ſhare of true liberty which (ſee addreſs of the legiſlaters to the french nation in the year 1791) meliorates man and makes the ſocial virtues bud under the name of real patriotiſm. Nobody then complained of the public expences which took from the citizens near 75 pCt. of their annual income. The preſervation of the ſoil, the wants of the communities required disburſements more conſiderable than were the charges of the ſtate. The petition or budget amounted generally to 25 millions anually. Before the internecine war mea ſures were ſeriouſly adopting to make good an annual deficiency of 8 millions without falling hard on the people. But at preſent the levy of ſo many tenths twentieths has diminiſhed the general capital of the nation one fifth; and the abſolute annihilation of commerce (except in the articles of requiſition) has paralyſed the ſocial body.

The towns are deſerted the fields languiſh the warehouſes are empty and the ſhipping rot in the ports. The citizen menaced with famine ſurrounded by miſery cramped, harraſſed, deprived of that degree of liberty which a despot does not withhold from his ſubjects finds himſelf placed oppoſite, to a petition of 60 millions; to the round of meaſures, to find this money as violent as they are ruinous; to new aſſig-

In ſhort France after the example of Rome has arrived at the length of procuring by the ſword all that ſhe ſtands in need of; Spain reduced to mendicity with her american gold at her ſide deſolates herſelf to find the promiſed contributions; Italy preſents the plunder of her inhabitants and Germany is a theatre of devaſtation. Will France by this repair all her loſſes?

She carries off horſes, oxen, ſheep, cloth, hides and grain all that is neceſſary to ſubſiſt a nation and of which that nation has no ſtock. The conſequence of ſuch diſorder is no problem. The invaſion of the Goths, Huns, Vandals etc. cauſed the immenſe treaſures of the Roman empire to diſappear from the face of the earth ſo that not a ſingle trace of them could be diſcovered. Is it aſked where theſe treaſures have remained? There, where thoſe which the French carry off will remain. It will be the province of the

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nats depreciating the value of thoſe quittances granted by anceſtors in acknowledgement of aſſiſtance rendered the ſtate; the perſpective of a bankruptcy which ſwallows up the old debt together with the new batavian effects, and the worthy partiſans of ancient patriotiſm expiating the crime of ſlavery. Adventurers at the realm of the ſtate and all that from its ſtrange deformity by an irreſiſtible movement lifts up the heart and hands even of an atheiſt towards heaven to invoke its pity. Alas! what little it coſt to deſtroy.

cotemporary philoſopher to fill up this blank in hiſtory.

Will France find in this a true reſource! The directory in its meſſage of 30 June confeſſes that the war required as much expence as it had procured glory to France — that it was neither conſiſtent with wisdom or juſtice to have any further recourſe to the faculties of the already exhauſted citizens.

Let us ſuppoſe that France gains gold ſilver and metals, ſtill what Johannot ſaid in his famous report of the 23 Dec. does not remain the leſs true „Gold is uſeleſs and null; we might have a famine with treaſures in our cellars" or in other words „that no conqueſt is worth the developement of her productive domeſtic faculties."

Smith (B. IV. c. I, 157) ſays: „to attempt to increaſe the wealth of any country, either by introducing or by detaining in it an *unneceſſary* quantity of gold and ſilver, is as abſurd as it would be to attempt to increaſe the good cheer of private families, by obliging them to keep an unneceſſary number of kitchen utenſils. As the expence of purchaſing thoſe unneceſſary utenſils would diminiſh inſtead of increaſing either the quantity or goodneſs of family proviſions; *ſo the expence of purchaſing an unneceſſary quantity of gold and ſilver muſt, in every country, as neceſſarily diminiſh the wealth which feeds, clothes, and lodges, which maintains and employs the people.*" And it is if I may ſo expreſs myſelf this battery of a political kitchen, this army of a million of men

this nurſery of domeſtic induſtry which is too disproportioned a price for a hundred of millions in ſpecie or ſome thouſands of oxen, horſes, ſheep and ſwine which enter France in numbers much inferior to the youth who have fallen in battle, in the marſhes of Mantua, and under the deſtructive climate of Italy. Let this army coſt the country no more than one of a hundred thouſand did Louis the XV. ſtill two conſequences reſult from it. The one that it coſts France herſelf a very conſiderable addition of expence. The other that the reſt of the troops living in foreign countries muſt exhauſt harraſs and oppreſs the inhabitants to a degree as to render foreign property only „*ſuſpicion aſleep.*“ Hence it requires a maſs of preponderant force againſt the chances of human fortune; hence it requires an additional tenſion of all interior and exterior reſources; hence the burthen of war which of all impoſts is the moſt heavy will fall indiscriminately both on neighbouring nations and on France and general and individual calamity will be the effect of all this exertion. The plundered people equally with the french become free will groan under the moſt bitter ſlavery that of being in want of every article indispenſably neceſſary without poſſeſſing any one of them.

22) Domeſtic Reſources of England.

This ſubject has been clearly laid open by the above remark but more particularly by the four di-

ſtinctive points of the interior ſtate of England. Envy and ſilly jealouſy have excited the attention of intelligent men; the public ſituation and domeſtic fortune of the engliſh nation have been ſubmitted to rigorous calculation, and all theſe enquiries have led to diſcoveries which were little expected. There is now not a ſhopkeeper in any town of Germany who cannot demonſtrate that the value of all the articles of conſumption imported and exported from England, comparing the preſent time with the beginning of the century turns out as 29 to 1, that the profits are in the ſame proportion and that conſequently labour, induſtry and commerce muſt add to the wealth of England a neat annual revenue of nearly 14 millions ſterling.

Without repeating theſe calculations it will be eaſy to give an account of the manner in which things are. There requires in the world a determinate quantity of articles of conſumption proviſions and annual labour. To neceſſaries the fancy of men and ingenuity of artiſts annually add a number of new objects, ſo that the value of the general circulation is inceſſantly increaſing and it may be ſaid that this increaſe follows the relation compoſed of the maſs and nominal value of the precious metals which are annually drawn from the bowels of the earth, that it ſurpaſſes them in the proportion that the price of theſe laſt goes on increaſing, *and vice verſa* (ſee Sect. 4, p. 13.)

The grand road of circulation and communication between nations has been expoſed to particular revolutions. Violence and artifice may have led to lucrative importance in the great market of the world, but theſe characters ſoon vaniſh on the appearance of the productions of ingenuity art and labour. Venice and Lisbon ceaſed to be of conſequence the inſtant their ſecret became known.

The three induſtrious nations of Europe for more than a century have had the excluſive poſſeſſion of the great market where others have been admitted only under the title of hirelings. They appropriated to themſelves the great profits and procured a general eaſe to Europe by a multiplied circulation which encourages and ſupports induſtry. In ſhort the quantity and value of commodities and of all the conſumption of the different countries of the world are more or leſs determined by cuſtom as is the caſe with the exchanges as well as the channels of conveyance and circulation therefore the extent of the commerce of each nation its annual balance and ſhare of general profits are matters eaſy to calculate. France except preparations for war has neither fabrics, manufactories, commodities, labour or induſtry. Six years of deſtruction have perverted the genius of every peaceable occupation and confidence cannot revive in a country expoſed to continual ſhocks, or credit flouriſh in the midſt of bloody inſurrections. In a word, France without having diminiſhed her wants has no means within

herſelf to ſatisfy them, and does not ſhew any diſpoſition to put an end to this ruinous disorder. She has loſt a conſiderable annual revenue and what is more, ſhe muſt receive from her enemies the productions of her own colonies whom ſhe has ſacrificed to the transports of a liberty polluted with blood

Holland, notwithstanding its decline was ſtill a powerful rival of England. France has introduced her ſyſtem and the effects have there proved the ſame.

Theſe conſiderations lead to a rational ſolution of the actual combination of the mercantile relation of Europe.

1) If neither France nor Holland has any longer a ſhare in the great circulation of the articles of conſumption and in the ſupply of the great market, if their labour, their induſtry have ceaſed, and

2) If nevertheleſs the produce of this ſupply analogous to the demands and to the wants of all the nations is ſtill the ſame, there reſults then naturally from it an increaſe of labour, induſtry and trade to the benefit of the nations who are in the ſituation to ſupply the place of thoſe who have retired from this great market.

Every thing ſhews that England while ſhe finds herſelf in poſſeſſion of the raw productions, the conſumption of which is as increaſed as it is neceſſary, finds herſelf alſo charged with the whole of that

ſupply, the ſhare of the profits of which, that belonged to the two other nations ſhe adds to thoſe of her preceding commerce with a trifling diminution in favour of other nations.

It is alſo evident that the whole of the productions of induſtry diminiſhed by the ſtoppage of all labour in France, Holland and principal manufacturing countries having increaſed the demand, has excited induſtry to extraordinary ſupplies and that conſequently labour has augmented, workmanſhip been more in demand and the prices of manufactured articles advanced. This is the true ſituation of things in Europe.

It ſtill further reſults, that the interior ſituation of England muſt be ſuch as *Smith* deſcribes it. B. I. c. 9. 141.

Theſe are his words: „The acquiſition of new territory, or of new branches of trade, may ſometimes raiſe the profits of ſtock, and with them the intereſt of money even in a country which is faſt advancing in the acquiſition of riches. The ſtock of the country not being ſufficient for the whole acceſſion of buſineſs, which ſuch acquiſitions preſent to the different people among whom it is divided, is applied to thoſe particular branches only which afford the greateſt profit. Part of what had before been employed in other trades, is neceſſarily withdrawn from them, and turned into ſome of the new and more profitable ones. In all thoſe old trades,

therefore, the competition comes to be leſs than before. The market comes to be leſs fully ſupplied with many different ſorts of goods. Their price neceſſarily riſes *more* or *leſs* — For ſome time after the concluſion of the late war, ſome of the greateſt companies of the beſt credit in London commonly borrowed at five per cent — without ſuppoſing any diminution in the capital ſtock of the ſociety. So great an acceſſion of new buſineſs to be carried on by the old ſtock, muſt neceſſarily have diminiſhed the quantity employed in a great number of particular branches, in which the competition being leſs, the profits muſt have been greater." *

Another neceſſary conſequence is, that as a capital marks a certain degree of intereſt ſo that which is employed in commerce indicates a cer-

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* Theſe reaſons eſcape all thoſe whoſe knowledge does not extend beyond the detail of a ſhop. The eagerneſs of the engliſh to withdraw their funds from foreign countries, to ſell at a low price their ſtock of goods, and to procure payments and bills for them; in ſhort, a diſadvantageous courſe of exchange, a general fall of the funds like in times of diſaſtrous circumſtances of ſociety are all the neceſſary conſequences of ſuch a ſtate of things as *Smith* explains. We ſhall hereafter further add the motives ariſing from the ſituation of public affairs in Europe which have induced the Engliſh to get in their capitals that are diſperſed ever Europe.

tain degree of induſtry and profit therefore the extent of commerce, induſtry and profit marks alſo a certain extent of the general capital. The correſpondence of theſe two relations is founded on implicit neceſſity. England having the infinite advantage over every other nation of providing for interior circulation by means of her paper currency, at leaſt one third of her foreign funds may be conſidered as metallic value. This general capital, employed out of the Iſland of Great-Britain muſt be aſcertained by *a ratio* compoſed of objects, routes and diſtances; But ſuppoſing it to come in and go out twice by the annual circulation, it muſt exceed twice the amount of the national debt of England ſuch as Paine would have it calculated to be. Our calculation is however ſuch that every arithmetician may convince himſelf of it, by combining the prices of purchaſes and ſales, the intereſt of the returns and the exchanges, the amount of profits and cuſtoms.*

* The government of France is too well informed of all that we have juſt advanced. The wealth of the engliſh factory at Leghorn, ſaved in 28 veſſels may be eſtimated by the trifling remainder valued at eight millions *livres*, and leads to a concluſion on that of the more important eſtabliſhments of this nation. The vaſt project of ſhutting the ports of the world to all that is engliſh can at the moſt only tend to the ruin of a town, ſtupid enough to liſten to this requiſition of a novel kind; while the inhabitants of Europe change their manners, taſte, wants and neceſſities as little as the individuals of the government and warriors of France have hitherto done.

This is that immenſe capital which does not enter into Paines ſtatement, but which forms nevertheleſs an eſſential part of the wealth of Great-Britain, and it has eſcaped Paine, that it is in order to arrive at this immenſe degree of action that its ſyſtem of the interior circulation has been chalked out on that of the exterior operation of the gold and ſilver of the nation. It is indeed true, that the North of Europe and America have availed themſelves of the circumſtances of the mercantile revolution, effected by the new political ſyſtem of France; But it is equally true that thoſe countries profit of engliſh capitals and enter ſeldom into enterprizes on their own account. The buſineſs of commiſſions aſſuring to them much more ſolid profits than are rarely ever to be derived from ſpeculations at a diſtance. Thus, without involving their capitals in great undertakings, they will not ceaſe to prosper and to increaſe their wealth as England does, without ſuffering the loſſes, which thoſe are ſubject to, who enter into that kind of buſineſs.

Theſe *data* of the oeconomical ſituation of Great-Britain confirm the opinion of thoſe who conſider the fortune of the engliſh nation to be independent of the favour or ill humour of any one, becauſe it is founded on the moſt ſolid baſis of all proſperity, and exempt from the viciſſitudes of human affairs while the conſtitution goes hand in hand with public and ſocial faith. Fortunes and property perſecuted in Europe and virtues, talents and induſtry of wiſe

modeſt and peaceable men, almoſt without an aſylum, elevate the civil condition of engliſhmen and ſurround it with a new eclat.

Without a fixed obſtinacy to view things in a falſe light, it is no longer poſſible to conceal, that public faith and ſecurity of perſons and property have ſeen their beſt days with us. The tables of braſs on which the repreſentatives of the french nation *decreed* the conſtitution to be engraven in order to tranſmit it to poſterity, were almoſt inſtantly broken, and a few years have totally effaced the recollection of it. The public and private maxims which have influenced the courſe of the french revolution, have at length ſpread into Europe and the french have cruelly revenged themſelves on the other nations for the enormous crimes which have ſtained their country. From Lisbon to Vienna, from Naples to Hamburgh the ſcourge of requiſition menaces governments, and deſolates nations. The fatal chain, which combines in the intereſt of violence, men, who have nothing to loſe either in fortune or reputation, has extended itſelf to cabinets notorious for uſurpation avidity and oppreſſion. They devour with their eyes the leſſer ſtates, the independence of the ſmall happy republics in Germany is put to the hammer, the people are divided like cattle, and their ſpoil becomes the price of iniquity.

Can there be a ſhadow of ſecurity in Europe when there is no other arbiter of juſtice than the ſword, when there is no other law than that of the

ſtrongeſt? Where is the guaranty of the capitals of the commerce of Genoa, Leghorn, Nuremberg, Hamburgh, Frankfort? But it is abſurd to put argument in competition with *force and violence, which eſſentially deſtroy the empire of reaſon and good faith*, and to make uſe of the expreſſion of Paine, *every natural ideot can ſee this.*

It is in the midſt of the ruin of all that has been held ſacred among nations, that Great-Britain maintains the glory of a loyal and moral people. It offers a ſacred aſylum to perſecuted fortunes, without having need of them to increaſe her welfare. The faith of a rich nation whoſe proſperity reſts on the ſolid baſis of a government, tried and calculated for the individual as well as general happineſs of ſociety, cannot be doubtful; violence offered to an individual affects the body of the nation, for the right to poſſeſs is committed to the ſafeguard of every one.

At a time when public faith has every where disappeared, that of England has acquired a double eſtimation, and I have no difficulty in citing as the principal ſource of its greatneſs: *Honour*, that only attribute of ſocial, public and private faith. It will ſupport itſelf as long as the french or their allies do not put the bank of England in requiſition, nor dare to hazard ſome project of diviſion of its ſcite; if that ever happens, I ſhould be moſt cordially of opinion with Paine „*I would not give*

twenty ſhillings for one hundred pounds in the funds" — nor in the bank, becauſe it ſupports ſtill leſs uſurpations.

23) National debt of England.

„What! A neighbouring ſtate the capital of whoſe debt exceeds the whole value of the kingdom; this country to be without alarms nay what do I ſay, it flouriſhes it proſpers beyond all the nations of the world and we, becauſe we owe the value of ſeven years of our revenue, deſpair of our country?" Thus ſpoke Rabaud de St. Etienne in 1790 on the day when he raiſed the hearts of wiſe legiſlators and patriots to the hope of national happineſs. Have things then ſince changed nature? The period has been too ſhort to admit of it. — Engliſhmen have an influence in public affairs; this is the principle of national liberty. To agitate the multitude for any particular purpoſe means analogous to their manner of thinking and feeling muſt be reſorted to. The ignorant croud is always leſs attentive to the preponderaut good they enjoy than ſtruck with things that displeaſe them. The approaching ruin of public affairs repreſented in a ſeries of numbers irritates the imagination which deſtitute of ſcience and of judgement is incapable of abſtracting by compariſon ſome general rule. The lower claſs of people are the ſame every where.

The able pen of the conducter of the french revolution during all the epochs of the laſt ſeven years offers to the Duke of Orleans on his return from England an argument worthy the modeſty of the Philoſopher. „I obſerved ſays he in England the happy effects of liberty for the proſperity of all without ſearching (or rather without being able to find) on what principles it was founded.“ If as a ſtranger I obſerve at a diſtance the happy effect of order in the adminiſtration of the Finances and of promptitude and facility of means for the public ſervice of the ſtate I cannot but perſuade myſelf that there is ſome interior and domeſtic principle which muſt ſupport this order of things. So many inſtances of public fraud ſuggeſt to me the impoſſibility of its continuance. It is true that Paine after the rate of one years duration for the french ſyſtem allows to that of England twenty but this term is too long to carry on fraud.

S Paine in his Common enſe declares that in human affairs nothing is exempt from vice and that the vices which ariſe from abundance of national wealth are worſe than thoſe of poverty we may then conclude that the ſyſtem of finances which in time of war does not interrupt the courſe of proſperity and which during peace prevents the pernicious effects of too much wealth and its vices (Smith V.) has attained the higneſt degree of perfection. We muſt ſuppoſe that nation ſtupid indeed who having the management of the hypothecation that forms

the ſecurity of its capitals works at the ſame time its own ruin.

The debt of the republic of the Seven United Provinces amounts to half of that of England. All wiſe Dutchmen confeſs that the republic would have been infinitely happy if it could have conſolidated within itſelf the abundance of its wealth and that its officious loans have ſunk the national and public proſperity owing to which it is that the principle of labour and induſtry has been banſhed from its ſeat.

What a leſſon for Engliſhmen!

Paine makes the public debt of England amount to 400 million. It belongs to thoſe intereſted in the nation to determine its extent. It appears that there are errors but not fraud in the difference of calculations on this ſubject; if for inſtance in 1785 the account of the public debt delivered to Parliament makes it amount to 266 millions and the following year Parliament declared it to be 239 millions the difference may ariſe from the addition of the debt of the India company or other funds which are not under the immediate direction of the exchequer.

The increaſe and diminution of the public debt are objects of calculations but of a very different proportion from that of Paine.

The ſame principle which in 1784 led the french calculators of the ſinking fund to the concluſion, "that a progreſſive fund of three millions increaſed annually by twelve hundred thouſand livres would extinguiſh in the ſpace of eight and twenty years a

capital of near 800 millions, leads alſo to the concluſion of the extinction of a debt of about 300 millions by a progreſſive fund of a million in the ſpace of about 120 years, a period of time very long in compariſon with human life but extremely ſhort for a ſtate that acts with caution.

The compariſon which Paine makes *of the ſinking fund to the ſetting a man with a wooden leg to run after a hare* is a ſarcasm with too little wit to pleaſe good ſenſe and too little reality to merit any attention becauſe in ſpeaking of a ſinking fund the *velocity of the hare* is not the queſtion *but the grand end propoſed to be attained* Without doubt Paine is attached to the ſyſtem of the rapidity of the french pace which has never ceaſed to go beyond what is right from the time of Richelieu and even that of Theodebert * to the preſent day. With an aſtoniſhing precipitation they have overleaped the boundaries of time five years of confuſion have ſwallowed up the national wealth, fruit of the labour of ages; generations of men have appeared and disappeared from the ſcene and death has ſwept away the youth of a century. After having trespaſſed on liberty they have done the ſame in reſpect to government, finances, law of nations and all the laws of humanity; in a word they have exceeded all that they blamed in

* He gave the example of all the expeditions which the french have made in Italy.

their enemies and it remains to be ſeen if the national deſtiny by an exemption of the law, will ſpare France a leſs ſiniſter fate. The accumulation of the national debt has been ſtopped at five different periods; the laſt of which is that in Pitts adminiſtration, and which altogether have diminiſhed the debt near 40 millions. Has France ever done ſo much to recover her public fortune? It would be very eaſy to demonſtrate the relation that the general increaſe of the debt bears to the national proſperity, but without entering into this vaſt ſubject we ſhall only obſerve after Hume that a ſingle county of England in the preſent day is of more value than the general empire of the ſtate in the time of Henry the fifth; and further that in the reign of Elizabeth the whole of Great Britain was not of the value of Ireland ſuch as ſhe now is. The exertions were proportioned to the means. Two years of war againſt Spain coſt Elizabeth only thirteen hundred thouſand pounds and with 40 millions livres tournois Henry IV propoſed to ruin the power of Spain and Auſtria. The war of 1756 coſt Lewis XV 4 milliards or 160 millions Sterling when according to Paine p. 11 it only coſt England 72¼. I ſcarcely think it probable that this circumſtance ſhould have ſtruck thoſe who require an explanation of the concluſions which Paine urges againſt his own cauſe.

If the deterioration of the ſtate in England and in France *at the ſame periods* has then been in the intenſion of numbers 160 a 72¼ and in retograding

to the time of the ſpaniſh ſucceſſion war in the proportion of 80 and 31¾ millions ſterling it appears that France has ſuffered more than double in her proſperity by that ſpirit of ambition which has inceſſantly troubled Europe; and that in compariſon with England her loſſes have been ſo much the more ſenſible as not having had the ſame means of repairing them.

It is the whole of parts that indicate the abſolute term of human affairs. That of the expence of any war whatever is regulated by the national faculties and the reſiſtance to overcome. So far from calculating the charges of a fifth war to come at *twelve-hundred* millions &c. (a ſuppoſition little worthy the ſpirit of enlightened liberty) there is as much appearance that they will prove diminiſhed, and this appearance becomes probability when the political ſtate of all the nations of Europe is conſidered and ſtill more when it may be ſuppoſed, that the political ſyſtem of Great Britain will be chalked on a different baſis than it has hitherto been and which will put it in a ſituation to maintain the balance of power at a leſs expence on her part.

24) Concluſion of Chapter the firſt.

Smith B. II. c. 3. p. 24 after having weighed and explained the ſigns of the national proſperity of England thus continues, "Since the reign of Charles II. five years have ſeldom paſſed away in which ſome

book or pamphlet has not been publiſhed written too with ſuch abilities as to gain ſome authority with the public pretending to demonſtrate that the wealth of the nation was faſt declining that the country was depopulated, agriculture decaying, and trade undone *"and mark": nor have theſe publications been all party pamphlets the wretched offſpring of falſehood and venality.* Many of them have been written by very candid and very intelligent people who wrote nothing but what they believed and for no other reaſon but becauſe they believed it.' The reaſoning of Queen Anne's laſt miniſter the violence of his invective againſt his predeceſſors in declaring the ſituation of the finances to be deſperate, the ſtate ruined, loſt, without power without reſources had no influence on the national proſperity at the end of the century. The Commons even declared in their remonſtrance to the Queen, that the preceding miniſtry had omitted more than 30 millions of which they had to give an account. Soon after, Oxford and the authors of thoſe declamations were themſelves accuſed by Sir Robert Walpole of having betrayed their country, a bill of attainder was paſſed againſt them and England found herſelf ruined only in the imagination of violent and ambitions men. After having ſhewn the continued increaſe of the general proſperity Smith judges of it page 27 thus. "It is the continual efforts of individuals to better their own condition protected by law and allowed by liberty to exert itſelf in the manner that is moſt

advantageous which has maintained the progreſs of England towards opulence and improvement in almoſt all former times and which it is to be hoped will do ſo in all future times." The pamphlet of Paine bears none of the characters nor the author any of the qualities which Smith concedes to the criticisms and fatal predictions on public affairs in England. An ardent ſpirit hurried away by a fiery imagination and inſtigated by a paſſion as full of rancour againſt England as it is of zeal for the French cauſe, are the traits which pervade every period of this publication. A repeated peruſal of it in diſcovering more and more inconſequence of calculation, facts aſſertions as poſitive as they are ill founded, has diverted us from the firſt plan of this work which was, to ſhew that he has confirmed himſelf in error and fortified his prejudices by the very proofs apparently calculated to deſtroy them. *

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* Such is the note of Paine which full of abuſes in the beginning againſt miniſters and at the concluſion againſt parliament treats of the ſubject of the balance of trade, Smith B. IV. . . ſhews that the expreſſion of balance of trade relative to the cuſtomhouſe books (as Paine underſtands it) is the vulgar expreſſion from which the man of buſineſs underſtands the balance of the annual product and conſumption. If the exchangeable value of the annual product exceeds that of the annual conſumption the capital of the country muſt annually increaſe in proportion to that exceſs. The country in this caſe lives on its revenue and what it ſpares from

that revenue is added to its capital. The cargoes of the mediterranean veſſels on their arrival are a product acquired either by the labour or the commerce of the country. Prepared for the different uſes by the hands of Artiſans theſe raw materials acquire a new value. Some part is employed in the conſumption of the country, and from the articles the Levant furniſhes it is clear that the ſurplus of the objects of conſumption forms a conſiderable object of exportation and conſequently of annual revenue to the increaſe of the capital of the country. If then the importation has been prevented, the exportation naturally cannot take place and the cuſtomhouſe books will mark a deficiency on both ſides ſo that the relation will always be the ſame. Payne therefore confounds here what Smith calls balance of neat profits with balance of trade that invention of ſordid avarice which ſeeks to impoveriſh its neighbors and we have too many document of Mr. Grey's depth of underſtanding information and judgement, to believe that he would condeſcend to impreſs on parliament the theory which Paine preſents him.

CHAPTER II.

PRESENT SITUATION, PUBLIC AND POLITICAL STATE OF GREAT BRITAIN.

This is the title which I give to the ſecond part of the general plan of theſe pages ſuch as I previously announced it. An inquiry into the interior ſtate either of France or of England, thoſe long and complicated calculations thoſe recourſes to ancient as well as modern accounts the reſults of which the author muſt lay before his readers without fatiguing them with a detail of figures, would indeed be too unthankful a taſk for any one who is neither paid nor ſold, neither attached to nor enraged againſt any government whatever; if the whole of the inquiry did not lead to the object of the Cosmopolite's wiſhes, the general good of mankind. Having compared the domeſtic happineſs the means and their uſe the vital principle of the national proſperity of France and of England on the plan that Paine propoſes I ſhall now paſs to the aim, to the point in view of this ſubject, that is, the application of thoſe means or to what degree advantages may be hoped

for and in what reſpect there may be danger of their being loſt.

On our route we are about to meet not the walls of the caſtle after the ſcaffolding is taken down not the ſtate and people of England without the preſent ſyſtem, not a nation applauding the courage of a few determined to pull down the caſtle on the ſcaffolding without foreſeeing, that both the one and the other muſt be rebuilt on a vaſt and extremely laborious plan for the firſt laughers ruined by ſtatute duty. All this concerns not thoſe who do not ſell their property to purchaſe a caſtle in France or by and by in England; but we ſhall meet here the din of arms, the cry of war, the bridge of Lodi, the voice of peace from the man ſurrounded by the ruins ſmoke and rubbiſh of Benaſco intoxicated with blood proclaiming fraternity in property and liberty in a new legislation which comprehends every duty and obligation both public, political ſacred and profane under the ſingle term of Requiſition.

It is the arm of France and the ſoul of the cabinet united to her that form the pivot round which all turn. To be acquainted with one of theſe powers is to ſee through the other. Let us analyſe the matter let us conſider then, what France *will, what ſhe can have* the *choice* of Europe and the *law* of England.

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* Men are the ſame now as ever they were and as a very new proof of it thoſe among us who have built caſtles in France are preciſely, like thoſe who origi-

1) Spirit of the French Government.

France has finally manifeſted her will and at preſent deſpiſes forms too much to leave any doubt of her intentions. France in a word ſince the late ſucceſſes of her arms is determined, to have all that ſhe never before wiſhed for, all that ſhe condemned in her enemies, all that the proud romans acquired all that ſince that period has never exiſted.

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nally built Caſtles in Spain. (To build caſtles in Spain is the french term for building caſtles in the air.) We a little more cunning in finding them on paper, the others more ſtupid in raiſing them on gold. It pleaſes me to approach theſe genius, theſe cit.zens and all make but one. Ignorance, idleneſs, vanity and preſumption are ſure to repair here all their breaches and to carry their fortune to the height of extravagant wishes. It is very ſingular that of all the nations, the german and the north are at preſent the richeſt in caſtles in France while the engliſh dutch &c. ſcaree poſſeſs any there. If it is true that this nation annually enriched her literature with a thouſand new romances this reaſon is extremely ſimple. Collect then a few androgynous authors and let them under the name of the grecian model ornament the ſhops of the towns and young ladies toilets with pragmatic works on the infamous and ſhameful pleaſures of Capua and that people once virtuous good brave loyal and reſpectable will be very worthy of the yoke of it does not ſignify who. It will only be to be exterminated like capua that they will mutiny too late.

It would be an uſeleſs trouble to reduce the policy of the french to any other principle than the right of the ſword, the only ſtandard of juſtice and law of the ſtongeſt a rule which the barbarians uſed againſt the law of nature. Demonſtrations therefore being no longer in queſtion matters of fact only are neceſſary.

1) France has put an end to the law of nations and to the public right of Europe founded on treaties. The firſt proof of this plan was the anſwer given to the offer of mediation on the part of Denmark namely. „That the french republic rejects every propoſal for congreſs till a general pacification having taken place there will only remain to ſtipulate certain advantages to Powers implicated in this cruel war.“ Theſe advantages to be ſtipulated are deſcribed in the letter of Citizen Barthelemy at the time of Hardenberg's negotiations March 1795 which appeared in the public papers at Paris in the month of June of the ſame year. This is the letter.

"Peace is conſidered as certain between Pruſſia, a part of the empire, Spain and Sardinia. Germany is to be divided into a demi region into Empire of the North and into Empire of the South. That of the North is *devoted* to the King of Pruſſia and the ſtates dependent upon it are under his *immediate* protection. The french republic will retain Belgia, the country of Liege and the fortified places on the Meuſe. With reſpect to the other ſtates (commencing from Switzerland) on the right bank of the Rhine they will

remain free under the protection of France. Spain will deliver the paſſes of the two Pyrenees with the port of St. Sebaſtian to the republic and hold at its diſpoſal twenty ſhips of the firſt rate: Sardinia will renounce all right to the Duchy of Savoy and to the comte of Nice. The port of Oneglia will be reſtored to her and Spain will give up to that power Parmay and Placentia in compenſation for the Loſs of Savoy. *

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* All this the whole of the cabinets knew as well us therefore it is her own fault if Auſtria has been betrayed by Sardinia Heſſecaſſel Wirtemburg &c. and that ſhe as little as England has not taken any meaſure of precaution not even againſt the march of the Pruſſians towards Weſtphalia for the french army and that power have never ſtirred but by mutual impulſe. They have not prevented the miſtakes of a cabinet once famous for its equity and for its moderation. It is proper often to repeat theſe truths, their being in oblivion cauſing too much blood and too many tears. This letter which has been literally accompliſhed contains terms not yet ſufficiently known and of which more frequent uſe will be made. Demi region of the North is the empire which from the borders of the Danube comprehends the courſe of the Weſer and Elbe and has for previous limit the Baltic ſea. All this is given - poſitivedy given. That is when a free city ſuch as Frankfort Nuremberg etc. finds itſelf ſo ſqueezed that after having delivered all its proviſions and the laſt five florins of its ſervantmaids in the mortal pangs of agony the magiſtrates ſurrender

All the public right of Germany has been thus overſet and yet the injured parties are ſilent but let us ſee if it is to the enemies of France in order to puniſh and to weaken them that this happens. The Directory pretends that the City of Hamburgh ought to acknowledge the french miniſter. That City has no power, no authority to do it. As a city of the empire, the conſtitution permits it to receive and acknowledge foreign conſuls and commercial agents in the ſame manner as it is allowed to delegate ſimilar characters. The miniſters to the circle of Lower Sanony reſide at Hamburgh from cuſtom and at the ſame time becauſe they chuſe it in like manner as thoſe to the circles of Weſtphalia reſide at Cologne thoſe to the Rhine at Frankfort where through courteſy they have had the cuſtom of making a public compliment to the magiſtracy in order to claim the

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themſelves to the ally of France who pays a price for it. The rate of roman ſlavery and of ours muſt be calculated according to the value thus paid. *Immediate protection* is what has happened at Nuremberg. *To remain free under the protection of France* is the condition of the Helots of the Spartans. Theſe laſt followed no other purſuit than that of war while the former were merely their labourers and lay entirely at their mercy. One hundred thouſand daſtardly Helots were thus under the atrocious dominion of a few thouſand ſpartans and this is preciſely the caſe with all thoſe who reckon on the pillage of their country. etc.

rights of miniſters. The ſame thing would happen at Lubec if a miniſter thought proper to reſide there. The french government has in this affair paid ſo little attention to public right and to other diſtreſſing circumſtances that it laid an embargo on the ſhipping belonging to that city contrary to the expreſs tenour of the treaty concluded at Paris between France and the Hanſeatic towns in which the firſt ſecret article ſtipulates that in caſe of a war with the empire theſe towns ſhould be deemed neutral and of which the fortieth article is conceived in theſe words. „*If there ſhould ariſe any miſunderſtanding between France and the Hanſeatic towns the ſubjects of the one party and of the other ſhall have nine months to withdraw their effects and to transport them wherever they may think proper.*“

For this despotic embargo the city of Hamburgh contributes equally to the requiſition and perhaps with the ſame perſpective as the city of Frankfort as time may ſhew. Theſe proofs are ſufficient and we doubt not that other documents will ſoon offer.

2) *The French Republic has formed for itſelf a ſyſtem of Policy different from that of Europe in general* compoſed of the maxims of ambitious conquerors from the time of the romans to that of Richelieu and Mazarin. It is eſſential to penetrate this plan.

A) The views of the Romans were directed indiſcriminately againſt monarchies and republics, againſt governments and ſubjects, againſt the public and the individual; They ſpared nothing, they only ſhewed indulgence to religion and conſciences. When obſtacles were over come, avidity, injuſtice and oppreſſion knew no bounds. They were never juſt, humane and generous but when they dared not be otherwiſe. The mutual hatred and jealouſy of ſtates were their arms, and the deluſions of liberty the ſnare laid for the people. Able negociators flattered the ambitious formed a party of malcontents in every ſtate and when they had conquered gave the law to independent ſtates. Thus they obliged the ſtates of Greece to recall the exiled, and the Kings of Syria (the limits of which they ſcarcely knew) neither to attack or defend themſelves againſt a neighbouring power.

If it was a king, they had in contemplation to deſtroy, they declaimed againſt the rigour of tyranny, circulated the fabulous hiſtory of the demi gods, pitied the people, extolled the laws of humanity and of nature which created all men equal, which has given to all an equal ſhare of its treaſures and which reunites nations when the tyranny of kings ſeperates them. To give a ſanction to ſuch kindneſs the deſtruction of the Macedonian power was reſolved. A roman general proclaims to the national aſſembly *Liberty*. Thus arming the republics

againſt their protector and diſarming the veteran troops of the monarch by exciting in their minds a ſpirit of disaffection againſt their chief, by exhibiting an hideous picture of the private paſſions and mode of life of a crowned individual and by offering all a brilliant fortune, new and equal to that of Kings. In ſome ſmall canton they make the ſovereign people play their part, puffed up with pride they talk with inſolence, inſult their wife and enlightened fellow citizens eaſy in circumſtances from their induſtry, the plebeians range themſelves on the ſide of the foreign General, Roman games attract the croud, the emblems of liberty gliſten at the new civic feaſts, the magnificent preſents of the Roman decorate the *man of the people* every man triumphs over his perſonal enemy perſecuted as the partizan of tyranny and the general enthuſiasm is further raiſed by the graces of the women who leave their domeſtic retreat.

The Tyrant is no more and the republicans expect the price of their attachment, But a revolution in the rigour of the term exterminates the *Etolians* by the *Theſſalians*, theſe by the *Spartans* and the *Spartans* by the Achaians who enfeebled among themſelves rendered the conqueſt of ſtates once free, eaſy to the perfidious aſſaſſin of liberty and to the deſtroyer of that ſuperb city where one day it was proclaimed by the robber of the monuments of genius and culture prophaned by thoſe ſacrileges. Thus old men had their arms which on the cry of

liberty they once raiſed againſt Flaminius loaded with chains. They ſaw their children amuſe the proud republicans at the theatre, on the ſtage and deſtroyed at the arius between their maſters and tigers leſs ferocious than thoſe blood thirſty republicans. *

Was it againſt a powerful republic? Was it in agitation to deſtroy Carthage? They profit of the reſtleſs ſpirit of a neighbouring king. They irritate him againſt the pride of the Ariſtocrats, they point out to him the wealth of the Democrats they awaken his jealouſy againſt their commerce and at all events they furniſh with courtezans with treaſon and with gold the immenſe king Maſeniſſes that father of an hundred children and Carthage bends her neck to the yoke. Despair inflames the disarmed hands, they pluck their hair to make bow ſtrings —— the arrow is withdrawn with fury from the wound to

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* Change but the names let the ſcene be in Germany in Italy let the liberty promiſed by the French make a more rapid progreſs (for the Romans had ſtill where withall to live at home) and tell me if overturned by theſe *modern Etolians* who like the ancient pretend to the empire of the North this modern Macedonia ceaſes to exiſt, tell me Italians, Germans, what will become of you? Do you really believe that republicans who have founded their power on *crime* will purſue its courſe leſs, than thoſe who had founded theirs on *virtue*. If this laſt could thus degenerate under the hands of ambitious men what will not be the caſe with the other.

ſtrike with death the republican who ſhot it. His barbarism repays itſelf with the ruins of a ſuperb town with the ſmoking heaps of edifices which cover the burnt bodies of thouſands of women children and old men. Too unfortunate Carthage! becauſe thou was too credulous. Would it not have been better to have periſhed on board thy veſſels thine arms in hand than to have delivered up all to the moſt atrocious of all the tyrants in the world.

B) The alliances of the romans had no other aim than that of wars deſtructive of nations. Through them Eumanes obtained provinces torn from Syria &c. and his ſucceſſors were the laſt ſacrificed to ambition. The condition of roman province was the lot of nations and that lot national hiſtorians thus repreſent, *Do they give you peace it is the moſt wretched ſlavery. Do they eſtabliſh peace it reigns over a deſert.* *

The ſmalleſt trace of civil exiſtence frightens theſe ambitious conquerors The moſt ſcrupulous fidelity is no guaranty againſt gloomy tyranny. Thus periſhed *Viriathes*, thus fell *Numantia*, and the deſperate and internecine defence of nations juſtly forms a concluſion of the atrocity of the domination.

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* *Miſerrimam ſervitutem pacem appellant ſolitudinem faciunt pacem dicunt.* Tacitus. Thus ſpoke a courageous chief of the ancient Britons to his compatriots.

The terrible term of *Roman province* has been replaced by that of *French requiſition* and under it nations with their civil inſtitutions their lives and property loſe even thoſe inſtitutions which the romans reſpected. The model of a peace granted by thoſe conquerors is that granted by the French to the King of Sardinia. The ceſſion of provinces eſſential to the power of the ſtate (art. 3. 4. of the treaty with Sardinia) the ceſſion of the keys of the empire (art. 12. 16.) the demolition of fortreſſes (art. 15.) the abandoning of his ſtate of defence (art. 14. 16.) the degradation of the ſtate by the ſacrifice of its honor (art. 8. 9. 14. 17. and the ſubmiſſions made to Genoa) theſe were the conditions of ſtates who abandoned themſelves to the mercy of conquerors. If the ſtate was tolerably rich like Spain or Holland there acceded a tribute the amount of which was to be paid at ſtated periods.

C) The roman people and the nobles thus enriched by the penſion of allies and the tribute of nations no longer did any thing no longer worked had no longer any induſtry. They were ſubſiſted by the provinces; The commiſſaries pillaged the people, transported to Rome the fine paintings and ſtatues that they found in other parts and to amuſe

* What will be ſaid of the despair of the Italians? a people reſcued from tyranny never abhorred their deliverer. This fury of the peaſants is a ſtronger evidence againſt the french ſyſtem than the fate of Francfort.

the idle multitude they paſſed from the fury of ſcenick games to thoſe of wild beaſts to that of gladiators and the wretched youth of the conquered nations periſhed by thouſands to celebrate ſome national feſtival.

D) To inflame the minds of the people and to weaken the power of Kings no maxim was more proper than that of cauſing the conquered monarchs to march before the triumphal car. They knew *that a government without honor is a nation without power.* *

The firſt cauſe of a legitimate defence has led the French to invade the reſt of the world under the title of the empire of liberty and of the rights of man. The nations whoſe grievances were acknowledged ** have the fate of peaceable neighbours even to the ſmall intereſting ſtate of Lucca that incomparable model of a wiſe liberty that emblem almoſt of a platonic republic but what do I ſay a town under the double ſafeguard of the law of nations and of being ſubject to the moſt ancient ally of France, Leghorn even is not ſpared. Under the law of nations a free port is under the guaranty of

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* Since has been invented the new term of *to order the King of Sardinia to the Bar.* It will be a great miſtake not to expect there one day either himſelf or his ſon.

** Decree of 14 Sept. which orders the executive power to treat reſpecting *the indemnities and compenſations due to the court of Rome* for the uſurpation of the comtats.

the public faith of all nations; even perſonal actions do not reach individuals who fly to it for refuge.

E) Ambitious men often ſacrifice to policy their atrocious deſigns in order to ripen them. They are acquainted with the art of concealing their reſentment and of apparently renouncing their principles of ſtate. Thus we ſaw before hand the French enter triumphant into Rome as nothing ſtopped them. The people regenerators who had deſtroyed the tyrant and empire of the hierarchy ought they to have had any heſitation to overturn the viſible throne? Would it not have been a glory to avenge the horrors of the perſecutions, of the inquiſition and of the fanaticism that have for ages afflicted humanity? Would not a general tolerance a perfect liberty of conſcience have at length been conſolidated by cauſing to diſappear with the viſible chief of the church God's lieutenant, the extravagant pretenſions of that inviſible empire? What work would be more worthy of the great liberty of human nature? But no; the prieſt cardinal miniſters animated by the eſprit du corps have always ſupported the triple crown and it will be the caſe while prieſt biſhop abbot monk miniſters direct the grand policy. Conſole thyſelf Holy Father ſatisfy the thirſt of gold with the offerings of the four quarters of the chriſtian world. Thy throne is unmoveable; With its fall, Kings would have inherited the natural right of ſupreme biſhops in their ſtates, the bandage would have fallen from the eyes of the people; inſtead of perſiſting like

thoſe of Bavaria in retaining in their churches the ſacred veſſels and the treaſure of relics till the inſtant republican bands were about to ſeize on them the love of their country no longer under the reſtraint of ſuperſtition would have conſecrated thoſe riches to its defence and they would have eſcaped the avarice of the conquerors. No; this throne of impoſture will be the laſt overthrown.

Hiſtory offers one truth, which is that the moſt dreadful tyranny is inſeparable from the empire of a military democracy, becauſe all the vices of intemperance and irregularity which may be found in a King are met with in an equal degree in the individuals of a Sovereign people. The wars of the latter are internecine while thoſe of the firſt are for glory; of ten villages deſtroyed nine have been by democrats. The ſacking of a village of Bodegrave by the army of Lewis XIV furious againſt the Dutch is the only monument of deſtruction in a war which laſted ſeveral years. During an hundred years that event has nouriſhed hatred againſt France in the hearts of the Dutch. The wars of Kings have reſpected property; thoſe of democrats have deſtroyed it. * Kings do not make war as merchants; The democrats ſell neutrality, peace, ſecurity and at length the melancholy remains of ſtripped nations.

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* Let Payne compare the five florins (8 Shillings) torn from the ſervants at Francfort to the five pound notes which he imputes as a crime to the engliſh ſyſtem.]

The wars of Kings have power for their object; thoſe of democrats ſeek to enſlave. Conqueſt leads them to the eſtabliſhment of ſlavery; the vanquiſhed people are the property of the conqueror and the condition of Helot, is the term of their war. Why ſhould not they give at Paris the ſpectacle of Hungarian and Engliſh gladiators in the circus conſtructed by the hand of the Italian.

The republicans faithful to their ſyſtem of domination have outdone all that the preſent age has abhorred in Kings. The manifeſt of the Duke of Brunswick in the name of Pruſſia irritated feeling minds and made the firſt diverſion favorable to the arms of France. A german prince menaced in his wrath to burn a great city in caſe it did not ſpare a conſtitutional king. Would he have done it! The general in Italy announces himſelf *terrible as the fire of heaven*; *he will burn the houſes, he will lay waſte, the villages he will cauſe the magiſtrates to be ſhot.* Will he not do it? Binaſco, Pavia, Arquata, Lugo he has deſtroyed; *thrice has his tongue* refuſed to utter the barbarous accents. The wretched peaſants are maſſacred the muncipalities ſhot and military commiſſions preſide over thoſe bloody tribunals. The general in Germany publiſhes a ſimular proclamation. All thoſe who are found in arms ſhall inſtantly be ſhot and their habitations burnt. Has he not kept his word?

Such is the ſpirit and character of the french government; Let us now ſee what it *can* do.

2) Situation of France with reſpect to Europe.

Europe is no longer in the ſame ſtate of barbariſm as were formerly the nations conquered by the romans. If the hiſtory of thoſe people preſcribed to France a conſummate policy in the plan of the empire of the world, it equally points out to the reſt of Europe the meaſures capable of ſtopping this impetuous torrent by diſcovering the faults of thoſe ſtates which rendered the romans all powerful. Neither Aſia nor Greece would have fallen victims if the two kings inſtead of attaching themſelves to the romans had united their forces to exterminate the ambitious ally of Rome, who by extending himſelf on the maritime coaſt had it in his power to obſtruct their great operations on the frontiers of thoſe two regions. The republican ſtates of Greece inſtead of inviting the Romans to join them againſt Macedon ought to have imitated their anceſtors at Thermopyles ſooner than to have ſuffered a ſingle roman to ſet his foot on their territories as they might have divined the fate that attended them and which entirely ruined and depopulated their country. Thus periſhed Carthage Syracuſe Numantia. etc.

The armies of France inundate Italy, Germany Can they maintain their ground there? With an equal rapidity Charles paſſed to Naples, into Sicily; with a rapidity ſtill more aſtoniſhing, Frenchmen, Lewis XII penetrated into thoſe countries. Fifteen

days meaſured the diſtance of the frontiers of France and the triumphant entry of the latter into Milan. At the commencement of the preſent certury the great Eugene was purſued into the interior of Tyrol, another victorious army was at Linz. Nothing obſtructed its march to Vienna it might have paſſed the limits of Hungary, and what was the fate of all theſe armies? The following year ſixteen thouſand men of that of Italy regained their country leaving all the artillery to the enemy. Not even ſixteen thouſand of the army of Germany (melancholy remains of eighty thouſand) reached their fireſides and it was not through the country of pillaged nations that they took their flight. If at the head of affairs in France a ſteady wiſe and well informed man calculates the deſtiny of the nation by the embaraſsment of circumſtances it appears that he finds himſelf transported to the ſtrange ſituation of a chief of a flying pary who having ſtrayed into the midſt of the hoſtile battalions and on the point of being exterminated by the firſt diſcharge by a raſh ſtratagem ſummons the enemy to lay down their arms in the name of an imaginary power trembling for fear the artifice ſhould deceive or irritate the enemy. Thus France with the increaſe of the number of her enemies raiſes her cry for peace, with the imminence of danger and difficulty of retreat affirms her benevolent intentions. It is a degree beyond perſuaſion that a party loaded with booty at an extreme diſtance from their homes cannot be preſerved from a ſecret deſire of ſaving

their lives which are expoſed every day, that a ſlight check may draw forth the effects of this ſecret ſentiment that in ſuch caſes where every one reaſons a union of wiſhes may occaſion a terrible disorder and that the chance of any fortune whatever would rebound on the heads who plan the plot. To this accedes the unfavorableneſs of the climate fatal to the perſons as well as to the courage of the french the effects of which are ſtill more pernicious to men more and more exhauſted by a kind of life of all others the moſt laborious.

1) All human affairs are ſubject to the invariable and general laws of motion. *A body departing with all the velocity of the force at each ſtep of its courſe is ſenſible of its ſubſtantial inertion.* It is at the remoteneſs of diſtance that all force vaniſhes of itſelf. The people of Sicily without arms deliver themſelves from the French, a great army is deſtroyed in Naples without any force oppoſed to it With this weakneſs neceſſarily increaſing in view will Auſtria liſten to an ignominious peace? Sardinia in intelligence with the french is a terrible intimation of what Auſtria as a principal party is to expect from the inſolent conqueror. A ſtate without honour is a ſtate without power; a diſgraced nation is a people of wretched ſlaves. Will not Auſtria be ſupported by the deſpair of her plundered pillaged ſubjects? Will not the germans deluded with vain hopes divided and enervated by a pernicious influence at length acknowledge their error? Will not

this outraged deſpiſed and baſely oppreſſed people ſnatch from the hands of their ſeducers their ancient national character? Will thoſe free towns thoſe ſtates who ſtrangers to all connexions whatever reſpecting France are haraſſed picked to the bone and ultimately thrown as prey to the ambitious like a proſtitute rejected by virtuous ſociety and ſoon driven to the haunts of the infamous will they I ſay be always inſenſible of their ſhame? Auſtria in exhauſting herſelf for the defence of the germanic body againſt its will has not been able to ſubdue the factions which have weakened all the ſpring of its interior force. Experience demonſtrates to every one whether it has not been and ſtill is ſound policy what Frederic II. recommended to the Duke of Wirtemberg in his letter 6 Febr. 1744 in the following words.

„*Never ſeparate from the empire or its chief; there is no other ſecurity for you againſt the ambition and power of your neighbours than the maintenance of the ſyſtem of the empire. Be always the enemy of him who would overthrow it becauſe in effect it would only be overthrowing you at the ſame time.*“

2) The poſition of France with reſpect to England is very different from that of the continent The day of vengeance is come, they ſay at Paris this Carthage will ſoon be no more; however if France reckons on the ſame means here as in Germany it will probably coſt her all the treaſures of the tributary nations without glutting that venge-

ance. They may as well attempt to build a bridge a croſs the channel as to attack Great Britain without having veſſels or ſeamen the difficulty to procure which is well known.

Does France propoſe to arm the other nations againſt England? but ſhall the opinion of a frivolous public be that of the maritime ſtates? It is to revenge the violences committed by the engliſh at ſea. What violences? At the time the United Provinces carried on war againſt Spain to throw off her yoke they *publiſhed* an ordinance *that every veſſel taken deſtined for a ſpaniſh port ſhould be a good prize*, and no complaint was made of this line of conduct. In the treaty of Whitehall England and the United Provinces agreed to notify to all ſtates that they declared beforehand as good prize every veſſel deſtined for or coming out of a port of France. If England has cramped the navigation of France ſhe has done nothing extraordinary. The navigation of neutral nations has ſuffered leſs has made greater profits and been more reſpected this war than in any preceding. The reſtitution of the veſſels taken on the coaſt of France is a ſtriking contraſt to the violence committed at Leghorn. What individual reſiding in the countries, iſlands or colonies taken poſſeſſion of by the engliſh have ſuffered the ſmalleſt injury? Which of them all has experienced any alteration in his ſituation? Their civil and political government have remained to them even all the rights of engliſhmen

will be their ſhare the difference between which and thoſe of frenchmen is very well known by the experience of ſo many years particularly in Italy, in Germany, in Holland &c.

3) There is then no valid reaſon for any ſtate whatever to make war againſt England. Sweden under *the ſyſtem* of a ſound policy will no longer be of opinion *that a neighbouring ſtate is neceſſarily a natural enemy* and for this reaſon will not take a part when her ally is alſo the ally of England conſequently Denmark has her hands tied, convenience may perhaps place her in the oppoſite caſe Pruſſia has no veſſels America alſo but even if ſhe had the americans know their intereſt too well not to be of opinion with the merchants of England who in their addreſs to the king in 1783 ſaid. „*It is our firm perſuaſion that the great commercial intereſts of this country and america are inſeparable.*" And what a picture of the proceedings in France will not the thouſands of fugitives carry to america! Will not their aſtoniſhment be greater than that of the Pariſians at the ſight, of the pictures and ſpoils of Italy?

4) Without doubt then it is Holland that offers the grand means of general attack. The Dutch have done prodigies for the defence of their public civil and religious liberty. Impoveriſhed as they are, a people guided by a ſimple charitable and divine religion find themſelves at length deprived of their laſt conſolation. Let thoſe whoſe

civil liberty is not united to that it coſt their anceſ. fors ſo much to eſtabliſh, who in religion find no remembrances, no ſublime hopes; who from holy morality no longer draw the ſource of virtues and of the duties of ſociety, who ſee in it no longer that inviſible force which preſerves from corruption, let them conſider as a ſtep towards regeneration the disorder thrown into an admirable order of things in which religious peace was wiſely eſtabliſhed but what they will firſt find will be a general averſion to the new order of things ſo much the greater as a ſmall number of vulgar men without morality without a guide without curb will not ſtop the courſe of their brutal paſſions till they have to encounter an external force. What ſupport can ſuch a ſtate give! It will be only to oppoſe to the good ſenſe of the nation ſuch uſeleſs enterprizes the more revolting on that account, to arrive ſoon at the inevitable end

5) Will Spain be a more ſolid ſupport of the french marine! It is at once impoſſible that national pride will ſubmit to the title of tributary militia of the republicans much leſs that which ſerves in the marine. A french army is to attack Portugal. This romantic project accords it is true with the general plan of France but the hopes founded on the life of one man are too vain to give uneaſineſs to any one whatever except the government of France.

Spain *the enemy of England and allied to France ſees her infallible ruin on each ſide.* Incapable to defend herſelf againſt the one and much leſs in a

ſituation to ſatisfy the pretenſions always increaſing with the miſery of the other, domineered and enſlaved in her interior like Sardinia, ſhe will only have to reſume the project conceved in the beginning of the century of transferring the nation and ſeat of government to America. In invaſions of tartar hordes a devaſtation of their country prevents that which the enemy propoſes to effect and the burying of gold and articles of ſubſiſtence ſtops avidity more than an army in battle. Spain cannot be without that degree of uneaſineſs which leads to prudence. Her conduct with regard to her poſſeſſions in America and the extent of her power in that part of the world ſupported by the forces of England will be of more conſequence to her than the pretenſions of her immoderate neighbours. Her choice between them, and England the projects of Ruſſia and her relations with the united ſtates of the North are problems not difficult to reſolve. Her real inability and exhauſted ſtate can only be ſuccoured by national enthuſiaſm excited by ſcenes of deſtruction, of the aſhes of her edifices and of the murder of her patriotic citizens by the plunder of property and by general oppobrium. An army organized as thoſe of France are can no longer be but deſtructive whatever may be the ſentiment of the government for having no magazines it *muſt* ſubſiſt by rapine and *muſt* cauſe the people to revolt *even though it dves not wiſh it*

6) England has ſuſtained alone wars againſt all the naval forces of Europe and is at preſent as powerful

as her enemies are weak. Her internal proſperity and her commerce are modified on a plan in which neither France nor Holland has any ſhare and ſhe is already habituated to do without them and to purſue a new plan the firſt expences of which ſhe has made. Her internal conſtitution has never been more reſpectable. Her alliances are of the moſt proper for the maintenance of public order and for the reeſtabliſhment of the peace of Europe. And it is to be believed that the cabinet of St. James will avoid the miſtakes that have ſo much injured the intereſt of the ſtate and that it will not manage external politics with leſs ability than it directs the powerful means the nation poſſeſſes in the interior.

There can be but one voice in England on what the public good requires. In 1790 Price thus harangued the correſponding-ſociety. *The french have followed our example; They will ſoon give us another They will call us not into the plains where the blood of ſlaves flow for the pleaſure of deſpots but to the altar of peace.* Can the party attached to the French be yet ignorant of *the victims ſacrificed on that altar?* To the horrid events which ſtain the hiſtory of human nature can they not recall the enormous crimes, the infinite evils which ſimilar ſcenes once produced in England. England has ſeen the ſtatue of her King overturned, his head fall on the ſcaffold; in 1649 ſhe had her *firſt year of liberty.* She bore the device of "*The Tyrant, laſt of the Kings is gone*" *

* Exiit tyrannus regum ultimus.

She had her rights *of equality* (*levellers*), her Marats her Buzots &c. and evils much inferior to thoſe of France taught the engliſh by the blood of one hundred thouſands citizens and a loſs of forty millions that *a legal government is the only ſupport of the liberty and of the happineſs of all.*

The American war (we are aſhamed of the compariſon) has taught the engliſh the fatal effects of internal discord. Without the impudent bawling of the oppoſition without the extravagancies of paſſions (rather to plot with the americans than to expoſe to an hiſtorical falſehood their opinion their ſyſtem) it is certain that at firſt and at every period during the courſe of the war better terms of accommodation might have been obtained than thoſe of the final peace were; and what at length was this peace which the oppoſition had ſo loudly called for, which at their captious inſtigation the nation warmly demanded and which arrived at the object of their deſires this oppoſition had to give to England? It was ſuch that the nation judged *that it fell ſhort of its expectations that it was neither honorable nor advantageous and* ſuch as the ſenſible Duke of Richmond found it, "the moſt ſhame-„ful, the moſt wicked and the moſt humiliating „that the engliſh nation was ever reduced to re-„ceive. It was on that occaſion that ſome patriots declared in parliament "that the nation had the fineſt „opportunity of eſtimating the attachment of ambi-

„tious men to the general good and the ſincerity of „the political profeſſions of the Chiefs of Whiggism „and Toiryſm outraged by a coalition to ſeize the „reins of government." The remembrance of all that preceded and accompanied Shelburne's ſyſtem the benefits of the following adminiſtration who has carried the national proſperity to ſuch a degree of ſplendor and the meaſures taken to prevent every attempt directed againſt the conſtitution before the preſent ſituation of france laid open the incredible conſequences of ſuch attempt muſt be preſent in the minds of the whole nation. England (if we may be able to judge from the rank and name of the members) has at preſent a houſe of commons ſuch as the conſtitution requires in the rigor of the term. This houſe of commons as well as the nation inſtructed by example will conſider with Lord North (Parliamentary debates 1785) *that conſtitution ſo ſacred that there will no longer be any man blind encough to ſacrifice eſſential benefits to the viſionary projects of a few individuals.* The member who roſe to give his aſſent to the ſentiment thus uttered and whoſe principles are founded on the conſummate experience of one who did not give himſelf up to theoretic ſpeculations uncionfirmed by practice. This member of the houſe of commons this man of the people cannot depart from his ancient maxims.

„England ſaid Fox to Parliament in 1787 has never entered into wars from the ſole motive of conqueſt. Some have been undertaken for her own

„defence others in order to preſerve the balance of „power in Europe. It was France that forced us into „them and who at all times has ſought to aggrandiſe „herſelf — The ancient jealouſy of England againſt „France has been juſt and this juſt jealouſy has been „advantageous to England. — If France ſhould re- „nounce her ancient ambition of conqueſt ſhe will give „the lie to all the philoſophers who have painted her „ambition as unalterable and her avidity as inſatiable. „It is particularly againſt England *continued he* that „her plans are directed. She only ſeeks to corrupt „her the more eaſily to ſubdue her. Holland ought „to furniſh us with examples."

This monument of the depth of judgement of Mr. Fox admits of no commentary. When in 1790. Grey laid down the principle that *a nation without honour is a nation without power*, in order to prove that "the honour and intereſts of the nation being attacked there has never been but *one voice* in the Britiſh empire" Fox further added on the occaſion of the misunderſtanding with Spain that every member of the houſe ought to feel an equal intereſt in the unanimity of meaſures to be adopted to avenge the honour of the nation and to ſupport the rights of the Crown.

What then are at this day the intereſts of the nation? Is there a diſpute on the moral cauſes of the preſent war? Is it neceſſary to amuſe the public mind with declamations on erroneous calculations of meaſures, on opportunities loſt? In reference to Foxs

ſpeech could there have been the means to have prevented the preſent ſituation of things by all thoſe expedients when the principle of french ambition has always exiſted. It is true it might have been leſs fatal to the continent if the nation had not been reduced to live by rapine but would the project to ſubdue England have the leſs exiſted would it not have been more formidable with the aſſiſtance of all the means which France *has had* to which ſhe would have *added* others ſome of which have been in the mean while *loſt* and ſhe has not had expedients even repair to her loſſes. This reaſoning is juſtly founded, it would be very eaſy to prove it.

Political civil moral religions individual and ſocial exiſtence, theſe are *the preſent intereſts* of England. The nation ſtripped, her ſhips given up, her repreſentatives ordered to the bar of the convention, her King exterminated, his crown loadered with oppobrium, a troop of wretches placed at the head of the Nation, There is the *honour* of the nation. If as *Grey* ſaid in the ſame ſpeech *there is no other true honour than to ſerve ones country and to defend her rights* what will then be expected from a nation full of honour when every thing equivalent to life even what deſpotism would ſpare is at ſtake.

In conjunction with the nation government will oppoſe to the views of this internecine war of the French political plans equally wiſe. Faults committed are ſalutary counſels for future procedure and England has never wanted men capable of diſcove-

ring *the eſſential point* though their opinion may not have always prevailed. Thus a member of the houſe of commons and finally the nation highly blamed the ſupport which England gave Pruſſia in Poland and the little attention paid to the complaints of Ruſſia that Pruſſia attacked her intereſts on all ſides which ſhe was led to do from the ſupport England gave her. Stormont demonſtrated at the ſame time (1789) that the Dutch had been guilty of a breach of their duty in connecting themſelves with Pruſſia and that Holland and England would be embroiled whenever Pruſſia thought proper. Grenville member for Buckingham equally cenſured the bad policy that had delivered up Dantzick and confided to ambition the key of the magazine which fed Europe. In ſhort with what juſtneſs has not the journey of Biſchofswerder into Italy to negociate the ſecurity of the *ſovereign authority in Europe* preciſely as it is as preſent underſtood been penetrated in England; And the ſubſidy paid latterly to Pruſſia with that to Sardinia who in conformity to the ſyſtem of perfidy which ſhe has adopted ſince the year 1688 cheated England in 1742 out of a ſubſidy of two hundred thouſand pounds was immediately conſidered in the point of view which experience has demonſtrated they ought to have been judged.

It is Auſtria Ruſſia Sweden Italy and Poland that would be the ſure and truſty friends of England. The ſimple words of theſe powers (as Catharine II told the cabinet of St. James in 1791) are more to be depend-

ed on than all the diplomatic acts or notes of the other cabinets. It is not our object to expoſe the means which policy and the preſent ſituation of affairs offer to England. The dangers of the french republic are ſuch that ſhe advances to ruin with a ſecurity that has no foreſight.

CONCLUSION.

The government of France wiſhes *peace*; Idle word in the mouth of thoſe who only think of the *deſtruction* of all the governments of Europe. Notorious falſehood when the political ſyſtem evidently tends to render the nations of Europe tributary on her. It is at this title that every man of principle ought to riſe againſt the efforts of foreigners who pretend to give the law to thoſe who conſidered as a nation hold their political independence equally dear. Honour that all powerful moral inſtinct which animated the french in the defence of their fireſide will it belong leſs to thoſe who are not frenchmen and who are at preſent under their yoke without property without arms and without anyother exiſtence than that of a ſubordination to *military commiſſions*!

France no longer wiſhes for peace and her armies I repeat are in the ſituation of a patrole engaged in the midſt of the enemies battallions; what an abyſs if the latter do not alter their poſition, if theſe armies fatigued and routed ſhould be added to a ſituation of affairs as tottering and unſtable as they have ever been ſince the origin of the revolution in ſpite of all the ſpecious appearances? The ſubject of the numerous armies on foot and their diſpoſition in peace has given all the governing parties ſo much

the more uneaſineſs as the ſame timidity and the ſame artifices which have given authority to the ſecret articles of treaties will not admit of their being deliberated in public. The continuance of the war retards the formidable period but far from removing the evil, the remedy renders it incurable. Time nouriſhes habits; in the courſe of time martial bravery will be the firſt title to honours riches and property; Perſons in political characters will disappear before the ſoldier of fortune who will rally round him his brethren in arms and recommence the circle which ſince the migration of nations Europe has travelled over. To poſſeſs only by the right of the ſword, to be more prodigal of blood than of the ſweat of the brow, to join to a deſire of booty the paſſion of glory, to display thus the buds of the ſoedal order, to reproduce extreme inequality in conditions and fortunes, this is the route on which the french nation is advancing with rapid pace. And where is the proof of all this? I anſwer, the extreme indifference of the armies to every thing which concerns the public and civil ſtate of their country and this anſwer will be clear to him who knows the genius and hiſtory of men.

Is it propoſed to diſtribute after the example of the Triumvirs the plains of Italy to the victorious army? Is the proprieter to be the tenant of theſe new hoſts? What will France herſelf become? but what trouble what immenſe labour to arrive at this. A Frenchman amiable and eſtimable to the higheſt degree in his own country is odious and inſupportable in foreign parts. He has been ſo in Sicily in Naples in Italy. Inſulated and expatriated he will inceſſantly have againſt him the unreflected antipathy of the people. Beſides, the other powers have not yet arrived at their laſt extremity, the preponderant

maſs of the force of Europe oppoſed to France is yet in its full vigour. There exiſts a moral, a phyſical term which cannot be paſſed.

Frenchmen be ſincere juſt and generous and you will be happy. Nothing but a peace on equitable humane and indulgent terms can reſtore *to you* that happineſs while an unreaſonable conduct will in the ſame degree remove it. It is no longer permitted to addreſs you in the name of reaſon on which you wiſhed to found your empire. Contrary to your decrees your ambaſſadors plead the cauſe of your paſſions; your arms are employed againſt the liberty of nations; By you, families are diſperſed, fathers led into captivity peaſants ſhot and their habitations reduced to aſhes. Before ſo many fatal exploits by the chance of fortune are ſtamped with the character of indelible atrocities, return haſtily to the track of your firſt legiſlators, grant peace *en deed*, ſeparate yourſelves from the oppreſſors of nations conciliate equitable governments, unite yourſelves to the friends of Man and of liberty, remove from your councils the incendiaries of their country reeſtabliſh nature and humanity in their rights and the bleſſings of nations will efface the blots which would ſtain your hiſtory.

Frenchmen diſſipate at length the conſpiracy of all the vices againſt your welfare. Kings guards do not protect Truth in the palace of government. Flatterers, groſs impoſtors and greedy villains beſet all its avenues. In compariſon with the time of Lewis XIV your ambaſſadors are leſs able and more haughty your commiſſaries leſs reſtrained and more rigid, your clerks in office worſe educated and more inſolent and your financiers leſs rich and more cruel and what ſignify thoſe ſonorous words which ſtrike your ears? The ſoul of the policy of a great and

powerful republic? *It is the fraudulent ſpirit of a for-did jew* emblem of his conſtituents who from a neighbouring country transferred the ſcene to the Jacobins at Paris. The blood of the generous defenders of their country? *it flows for foreign intereſts contrary to your own.* The victories and glory of the nation? *The cat's paw* with which ſome perfidious cabinet ſome dealer in men ſnatches towns and provinces from their legitimate government. Your happy Liberty? *The ſlavery of Poland.* Its effects on human nature? *The extinction of the ſpark of conſcience and morality* which reſtrained the brutal paſſions of the rude multitude. It would have been worthy the Philoſopher Paine to have told you theſe truths and I venture to do it becauſe *he has not.*

Thomas Paine is famous for the active part he took in the family quarrel of the anglo-americans with the anglo-britons. He afterwards repaired to the theatre of the french revolution. A ſtranger to the nation the philoſopher could only have been hurried into ſo dangerous a career by a zeal to extend the culture of the ſocial virtues and to combat the fury of political paſſions. What a ſublime taſk what a part worthy of his great character! A grateful poſterity, both engliſh and french will eſtabliſh a glorious monument to the conciliator of hatreds and jealouſies unworthy of enlightened nations and incompatible with the empire of reaſon.

But the end of T. Paine's publication announces a doctrine extremely different. He proves himſelf a man the moſt violent who calls for *revenge* and paſſion has troubled his mind to that degree that under the pretext of an oſtenſible cauſe (*the political violences committed by the engliſh on the american commerce*) he

has ſanctioned a principle as dangerous as it is *immoral* in good policy *that governments can have the paſſions of individuals.*

Is it that ſome outrage committed by his mother country againſt T. Paine provokes him to revenge? Have his juſt hopes from his country been deceived? Has the honeſt virtuous and upright man been perſecuted by a vile faction combined againſt the ſovereign and the country to deceive and betray to rob and to ruin the ſtate? Has merit alone been the title of his proſcription! Alas! it is ſad experience that ſhakes the heart of man it is philoſophy that calms it. *The man the worſt treated by his country* ſays Plato *preſerves always in his heart an intercedor for her and ſeeks occaſions to reclaim and to ſerve her.* It is to make a public profeſſion of my philoſophy that I reſolved on this reply. I have wiſhed to reduce to their level unjuſt hopes the ſhipwreck of which cannot fail to throw the human ſpecies to the region oppoſite to that of outraged liberty.

To the Public.

Falſe punctuation, improper diviſion of words and an infinite number of other errors of the preſs will have ſtruk the reader on the peruſal of the foregoing pages; but an appeal to his indulgence will not be in vain when he conſiders that the work was publiſhed in a foreign country and is informed that the printer is totally unacquainted with the engliſh language; the only apology that can be offered for preſenting it to the public in ſo imperfect a ſtate.

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